REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

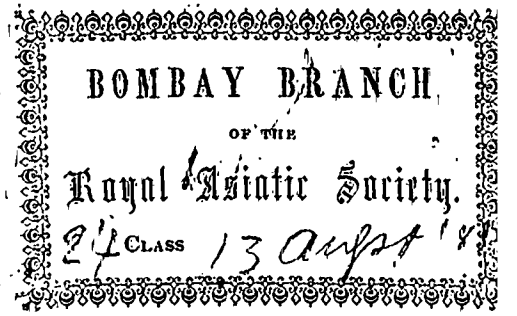
1880.

00134076

MADRAS:

PRINTED AT THE "MAIL" PRESS, BY J. J. CRAIG.

1881.



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THE MADRAS CHAMBER OF COMMERCE.

Established 29th September 1836.

Members—December 1880.

Sir W. W. Arbuthnot, *Bart.* (*Eur.*)
Mr. G. G. Arbuthnot,
Mr. J. W. Arbuthnot, (*Europe.*)
Mr. C. A. Ainslie, (*Europe.*)
Mr. J. H. Aspinwall, (*Cochin.*)
Mr. F. T. Atkins,
Mr. A. V. D. Best, (*Europe.*)
Mr. J. A. Boyson, (*Europe.*)
Mr. A. F. Brown, (*Europe.*)
Mr. H. Bill,
Mr. T. Blaikie, (*Europe.*)
Mr. J. R. Boyd, (*Europe.*)
Mr. H. de Closets,
Mr. T. Croysdale,
Mr. J. Fortune,
Mr. T. E. Franck, (*Europe.*)
Mr. W. Gordon, (*Europe.*)
Mr. A. de Guigne, (*Europe.*)
Mr. S. D. Grant, (*Europe.*)
Mr. G. Jackson, (*Europe.*)
Mr. J. Kyd,
The Hon'ble P. Macfadyen,
Mr. A. Mackenzie,
Mr. W. L. Millar,
Mr. W. W. Munsie, (*Europe.*)
Mr. J. McLintock,
Mr. D. Rasbotham,
Mr. W. S. Robilliard,
Mr. W. Scott, (*Europe.*)
Mr. C. Simpson,
Mr. J. C. Shaw,
Mr. L. Strange,
Mr. A. M. Saunders,
Mr. P. Stevens,
Mr. T. A. Taylor,
Mr. S. R. Turnbull,
Mr. W. Walker,
Mr. R. C. Walker.

Retiring Committee 1880.

The Hon. P. Macfadyen, *Chairman.*
Mr. R. C. Walker, *Vice do.*
Mr. L. Strange, } *Committee.*
Mr. J. C. Shaw, }
Mr. H. Bill, }
Mr. F. T. Atkins, }
Mr. D. Rasbotham, }

Committee for 1881.

Mr. C. Simpson, *Chairman.*
Mr. R. C. Walker, *Vice do.*
Mr. H. Bill, } *Committee.*
Mr. J. C. Shaw, }
Mr. L. Strange, }
Mr. G. G. Arbuthnot, }
Mr. F. T. Atkins, }

Messrs. Binny & Co., *Treasurers.*

Mr. C. A. Lawson, *Secretary.*

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REPORT.

THE IMPERIAL LICENSE TAX.

On the 5th March the Chamber reminded the Government of Madras that on the 10th September 1879 they had solicited attention to the disproportion between the rates of License Tax demanded in the Madras Presidency, and those levied in Bengal and Bombay. The Chamber had observed that the bill of the Government of India "to amend the law relating to the licensing of trades and dealings" introduced into the Viceregal Legislative Council on the 24th February, did not touch this grievance. They therefore asked the Government to take into consideration the Chamber's suggestion that the time was opportune for remedying the wrong which had for two years been borne by the traders of this Presidency. On the 8th March the Chamber addressed the Government of India, and expressed their surprise that advantage had not been taken of the improvement in the finances, as shewn by the Budget Statement, to rectify the injustice of exempting the official class from liability to the Imperial License Tax. The hardship of compelling the commercial and agricultural classes to pay more than their full share of those burdens in order that other classes, far better able to pay the tax, might escape altogether, was pointed out. In June a bill was introduced into the Madras Legislative Council for the amendment of the Madras License Act of 1878. The Hon'ble W. Hudleston, who had been charged with the introduction of that Act, and who now introduced the amendment, stated that the local scale of "assessment had been adopted when the License Tax was first imposed in Madras, and though

the Chamber of Commerce very soon complained of its being excessive, legislation in Madras to remove the inequality had been delayed, as there was reason to expect that the Government of India would supply the legislative remedy. They had now, however, abandoned this intention, but had approved the amendment of the law proposed by this Government to reduce taxation here, so that the maximum rate should be reduced to Rupees 500, which is the highest rate in force elsewhere." The bill was passed.

GOVERNMENT PROMISSORY NOTES.

A scheme of the Government of India for dealing with Government Promissory Notes held in deposit by Government officers having been submitted for the Chamber's opinion, the Chamber said that they considered it should not be within the power of the Government to exchange, at their discretion, any one class of securities which may be deposited with them for any other class, and that it was incumbent upon the Government to return to the depositor in due course the identical notes which he had offered, and which had been accepted, as securities. The Chamber also deprecated the imposition by the Government of a charge for commission on the receipt and payment of interest on bonds held by them as securities. The scheme was not proceeded with in the year under report.

FLUCTUATIONS IN TRADE.

The Chamber having been requested to offer an explanation of the causes of the fluctuation in local trade disclosed by the statement for the year 1879-80, informed the Collector of Sea Customs of their inability to accept the official values of imports and exports as a reliable test for estimating the progress or decline of trade, and that they considered that the state of commerce can alone be safely

gauged by a careful comparison of the quantities of articles cleared at the Custom House. The Collector replied that he did not see how any of the ordinary fluctuations in values could so affect the returns as to render any opinion based on them other than a very valuable contribution to the solution of the causes of progress or decline in trade during 1879-80. The Chamber did not, however, consider it incumbent upon them to comply with the invitation of the Collector to review local commerce in the year referred to.

REGULATION OF LABOUR IN FACTORIES.

The second Bill of the Government of India for regulating labour in factories, was communicated to the Chamber for their opinion. The Chamber were glad to find that several of the suggestions which they had made upon the first draft of the Bill, submitted in 1879 had been acted upon, and adopted. They adhered to their previously expressed opinion that the measure should not be made of universal application in India, and that its introduction into the various provinces should be confided by the Supreme Government to the discretion of the Local Administrations. They again recommended that power should be reserved to the Government of Madras to exclude the coffee-curing establishments of the Western and Eastern Coasts from the operations of the proposed Act.

ALTERATIONS IN BILLS OF LADING.

It having been brought to the notice of the Chamber that, at a meeting in London of merchants and shipowners on the 21st April, convened under the auspices of the General Shipowners Society, it was arranged that "the merchants in Calcutta be asked to appoint, within three months from now, six merchants in London to meet six shipowners as a Committee empowered to finally fix the Bill of Lading," this Chamber informed the Bengal

Chamber that they would be glad of the opportunity to have the interests of local trade represented by one merchant at the approaching conference. The proposition was readily acceded to, and Mr. W. Macfarlane of Messrs. H. B. Muir & Co., was named. This gentleman was also nominated by the Bengal Chamber with nine other gentlemen in London to act as their representatives at the conference. This Chamber informed Mr. Macfarlane that they deprecated the insertion in Bills of Lading of any clause which would tend to impose risks on shippers that have hitherto been borne by shipowners, and especially that they objected to any such alteration in the Bill of Lading as might tend to lessen the security given by an ordinary policy of Insurance. While prepared to coincide with any modifications in the Bill of Lading which may be agreed to by the representatives of Calcutta, they said they would prefer to see the retention of the present Bill of Lading. Mr. Macfarlane, in reply, expressed his agreement with the Chamber's views, but suggested that it would be better for the Chamber not to be represented on the London Committee of merchants. The Chamber concurred with him that it would be best for them to stand aside for the present.

PENALTIES FOR OVER-LANDING CARGO.

The Collector of Sea Customs having exacted a heavy penalty on an over-landed package the Chamber expressed their regret that he felt it his duty to interpret the Custom House Act in a more rigid spirit than had been the practice of his predecessors in office. They asked him to bear in mind that the powers with which he was vested for punishing irregularity should be so exercised as not to cause irritation to persons whose good faith he could not question, and whose infringement of a rule had been purely accidental. The Collector declined to discuss the matter with the Chamber pending its consideration by the

Board of Revenue, to whom he had already referred to. The Board held that the severity of the Collector was not warranted by the circumstances, and they remitted the fine which he had imposed. They considered that due notice should be given to the mercantile community of any change of the established practice of the Custom House, and that the penal provisions of the Act should be applied with discretion.

THE DELIVERY OF IMPORT MANIFESTS.

The Chamber had occasion to address the Board on the subject of the rules that the Collector of Sea Customs had signified his intention to enforce for the delivery of import manifests by masters of vessels arriving at Madras from foreign ports. As these rules were harsh and unnecessary the Chamber urged the Board to cancel them. The Board, however, declined to give the mercantile community the relief that was sought, whereupon the Chamber went up to Government, and requested the postponement of the rules until they had had the consideration and approval of the Governor-in-Council. The Chamber at the same time pointed out to the Government, that an important retrenchment might be made in expenditure by the introduction of a change in the administration of the local Custom House, similar to what had proved a success in Rangoon. This they contended, "would confer upon this Port the advantage, of which to a great extent it has been hitherto denied, of having its Customs affairs controlled by an officer who has a broad acquaintance with the working of Customs Acts elsewhere, who is familiar with the usages of trade in larger centres than Madras, and who will always remember, that though he is the guardian of the public purse, and the executant of the orders of Government, the duty is incumbent upon him of anticipating and meeting the reasonable requirements of commerce." It seemed to the Chamber that

the approach of the Harbour to completion was a reason why the Government should "determine to engage for the appointment of Collector of Sea Customs, when it next becomes vacant, the services of a gentleman who has made Customs and port affairs his profession, rather than a temporary and casual duty." The Government did not reply to this suggestion, but passed an order on the subject of the rules above referred to, and stated that they saw no reason to hesitate in maintaining the provisions of the Customs Act. As by this time the officer whose action had caused the irritation referred to, had proceeded to England, the Chamber allowed the subject to drop.

WORKING OF THE CUSTOMS ACT.

The working of the Customs Act in Calcutta in connection with the importation of cotton manufacturers occasioned the Bengal Chamber much annoyance. Eventually that Chamber represented to the Government of Bengal the hardship to which manufacturers and importers of cotton piece goods were subjected by the arbitrary application by the Customs authorities, of the penal clauses of the Sea Customs Act VIII of 1878, in cases coming under the notification of the Government of India No. 59 of the 13th March 1879. They therefore requested the Government to issue orders "to the Customs authorities to exercise the discretion which they possess, and to apportion the penalty in each case as it arises according to the nature of the offence, and thereby put an end to the wholesale confiscation which is now going on." The Lieutenant-Governor, although of opinion that, under the provisions of the Act the Collector of Customs and the Board of Revenue had been technically and legally right in the procedure against which the Chamber had appealed, ruled that the penalties of fine and confiscation need only be imposed in extreme cases. The whole matter having been sent up for the orders of the Government of India, was reviewed

at length in a letter of the Supreme Government to the Government of Bengal. The letter concluded by stating "that the President in Council, while agreeing with the Lieutenant-Governor that the procedure of the Customs authorities at Calcutta has not been illegal, regrets that the discretion entrusted to them by the law has not been more judiciously exercised. His Honour has no doubt that if the principles now explained are judiciously and uniformly applied at Calcutta, all reasonable complaints of the administration of the law will cease."

MADRAS PORT AND HARBOUR DUES.

In September a Bill to enhance the rate of Port Dues leviable at Madras was introduced into the Viceregal Legislative Council. The Chamber represented to the local Government that as the Bill traversed, in a most important respect, the "Madras Harbour Trust Bill" of the Government of Madras they were unable to understand the necessity for it. They expressed their anxiety to protect the port of Madras against the risk of an apportionment of the interest on the cost of the Harbour which might bear with undue severity on the shipping interest. It seemed to them that the framing of scales of tolls, or dues, should be left to the discretion of the Local Government, which would possess means of ascertaining on the spot how such demands might foster or check commerce, such as could not be equally well commanded by the Supreme Government. The Madras Government stated in reply that the Bill was only an enabling Bill, and that it was necessary in order to give power to exceed the limit of three annas fixed by the Indian Ports Act. The Bill was passed by the Supreme Government.

The Hon'ble Mr. Gibbs, in introducing the Bill into the Viceregal Legislative Council argued that the Chamber had finally assented to, or expressed, a strong opinion in favor of the levy of 8 annas per ton on

shipping. This the Chamber could not admit. They informed the Local Government that in 1874 principally for the purpose of illustration, they had assumed that if it were necessary to impose 8 annas per ton on steamers and ships, and 4 annas per ton on coasting steamers and native craft, a sum of £20,000 might be expected to be obtained from this source, leaving £16,000 per annum to be derived from other taxation. They took the opportunity of urging that the whole question of dues on goods and shipping could not be decided off-hand with regard chiefly to the collection of the interest on the harbour, but it would demand the careful consideration of the Port Trustees, whose duty it would be determine, as far as they could, what apportionment of the charge would bear least onerously on commerce, and best secure the revenue which the Government required. They also referred to the Imperial character and benefits of the work, and submitted that although some portion of the expense connected with the structure should be borne by the shipping frequenting and the trade of the port, a not inconsiderable portion should be met from the Imperial revenues. In passing orders on this letter and on other papers, the Madras Government recorded their opinion that the maximum rate entered in the Act should not exceed 6 annas, which would produce Rs. 2,32,500, leaving Rs. 78,500 only to be raised from harbour dues. This rate they thought would be ample for the security of Government, and would not frighten ship-owners away from the port. The Supreme Government, however, preferred to retain the original maximum of 8 annas.

EXPORT BOAT NOTES.

In September the Government directed the suspension of the operation at this Port of so much of Section 76 of the Sea Customs Act as relates to Export Boat Notes, and the Collector ceased to require the submission of those documents. The Chamber expressed their regret that an

arrangement affecting the convenience of the export trade of Madras had been suddenly terminated without the Collector consulting the Chamber before recommending to the Government a modification of the Act. The Chamber submitted to the Government an explanation of the procedure which had hitherto governed the submission of these notes, and described the uses to which they are put. They shewed that the notes afforded a handy and authoritative check upon irregularities which would be lost by their discontinuance. They therefore begged the Government to cancel the order, and to allow a return to the system which had been in force for many years, and which had not hitherto been thought inexpedient by the Customs authorities. But the Board of Revenue, when the subject was referred to them, stated that in their opinion the Collector met the objections of the Chamber to the abolition of the Notes. The Board held that the documents were not required by Government either for the protection of the revenue or for statistical purposes; they were useless for the protection of goods in transit as they never corresponded with the packages shipped in each boat, nor were the goods tallied with reference to them; and the information required by merchants for correction of Manifests, and by the Chamber for the compilation of the Daily List of Imports and Exports, was procurable from the tallied Shipping Bills. The Government, accordingly declined to modify the order under which the notification was issued. The subject was not however allowed to drop, and was under the further consideration of the Government when this Report was published.

THE ADMINISTRATION OF ESTATES.

In August the Bengal Chamber of Commerce were asked by this Chamber whether it was their intention to take any action with regard to the refusal of the

Government of India to comply with the prayer of the Calcutta Memorial on the subject of Section 56 of the Administrator General's Act No. II of 1874. This Chamber submitted that if a man voluntarily appoints an executor, and gives him what he considers a fair remuneration for carrying out the provisions of his will, it should not be competent to any Government to step in, and say that such man's wishes shall be set aside, and that the work shall be done by the private executor for nothing, or by the official administrator for a definite charge. This seemed to the Chamber an infringement of private liberty, and an attempt to bring business to the Administrator General. The Bengal Chamber in reply pointed out that the most urgent representations were simultaneously made some years ago by the Chambers of the three Presidencies against such provisions of the Act, then in force, as were calculated to prejudice the interests of estates, and especially the rights of non-official executors and administrators, who were barred by statute from receiving any remuneration for their services in those capacities. The obnoxious clauses were retained nevertheless; and the Administrator General's Act of 1874 was the survivor of the various repealed Acts since 1849. They proposed to draw up an appeal for consideration, and subsequent submission to the Government, either as a joint or several representation of the three Presidency Chambers as might be hereafter decided upon. But the Bombay Chamber subsequently decided not to move in the matter, as it did not seem to them to be one in which mercantile interests were involved, and the Bengal Chamber then felt that in the absence of combined action on the part of all the Presidency Chambers it was not expedient to address the Government on the subject.

THE REGISTRATION OF LANDED PROPERTY.

The attention of the Chamber was drawn to certain provisions of the Registration Act in regard to landed

property which appeared to require amendment, and they pointed out to the Government that the Act failed to make provision for cases where, by neglect, whether accidental or intentional, notice of an encumbrance upon landed property registered had not been forwarded to the Sub-Registrar of the district in which the property was situated. The Chamber expressed their opinion that it should be obligatory on the person registering the document, elsewhere than in the district where the land was situated, to see that the registration was legally completed everywhere. The Inspector-General of Registration, on being referred to, informed the Government that he doubted whether the mere transfer of the obligation to send the record from responsible Government servants to private individuals, who were often ignorant, would prevent such omissions as those complained of, and he saw great practical difficulties in giving effect to the Chamber's proposal. The question was brought to the notice of the Government of India, who replied that the point was one which could properly be considered on any future occasion when the Registration law might come under revision; and they saw no sufficient reason for having recourse to immediate legislation. But to prevent the occurrence of such omissions, they issued an executive order to Local Governments and Administrations which they hoped would sufficiently meet the requirements of the case.

THE BELLARY HOSPET RAILWAY.

In February the Government of Madras recorded their opinion that the completion of the railway between Bellary and Hospet was of great importance to the Bellary District, as well as to the traffic of the Madras Railway. They said that they thought it desirable to accept the offer of the Madras Railway Board to raise the funds required for completing the line, unless the Government of India preferred to sanction its being com-

pleted as a State Railway. The Chamber expressed their hope that the Government of India would afford the Board the facilities they desired. They alluded to the emphatic statements of the Viceroy and the Finance Minister in the Viceregal Legislative Council, with reference to the great importance of railways as affording means for protecting the people of India from the consequences of drought, and they said they trusted that the great importance of opening out the Bellary District by the proposed Railway to Hospet would commend itself to the approval of the Supreme Government. But the Government of India said they were unable to pass orders in regard to the completion of the works between the towns above mentioned, until some decision had been arrived at with reference to an offer that had been made by a body of gentlemen, calling themselves the "Stafford House Committee," for the construction of a line from Bellary to New Hubli on the metre gauge. The Chamber thereupon urged upon the consideration of the Madras Government that the Committee could not have claims on the consideration of the Government of India, that could for a moment be compared with those which could be put forward by the Madras Railway Company, and they suggested that the Government should oppose any scheme for the extension of the railway system westward from Bellary, which involved a break of gauge at that town. The Government transmitted the Chamber's letter to the Government of India with a strong recommendation that the Madras Railway Company should be at once permitted to take over, and complete the unfinished works.

THE MADRAS MAIL TRAIN SERVICE.

At the end of 1879 certain proposals, for the revision of the train service on the Madras Railway, which had for some time previously engaged the attention of the Duke of Buckingham, were incomplete. The Madras Government

were in favor of reducing the speed of the mail train for economical reasons; they held that the existing traffic did not demand more than two passenger or mixed trains on any part of the line; and that at least one train, run during day-light, should be everywhere available for passengers. Passenger train arrangements revised in accordance with the views of the Government were approved for introduction from the 1st March. The Chamber saw that the new service would have the effect of placing this Presidency twenty-four hours further from Europe and Northern India than it is at present, and of causing the increased detention "*in transitu*" of goods and passengers. They accordingly telegraphed to the Board of Directors of the Railway Company on the subject, and begged that they would pass no definite decision on the proposal until they were in possession of a letter explaining the Chamber's views. On receipt of the letter the Board despatched a telegram to the Agent and Manager to the effect, that they had not sufficient information to enable them to form an opinion on the proposed new train service. They directed him to request the Chamber to communicate with the Government, who had the power, under the contract, of deciding what number of trains should be run, and the rates of speed at which they were to travel. Meanwhile the Chamber had addressed the Government of India on the subject, and pointed out that the question of the train service was not a local but an Imperial one, which went to the root of the *raison d' être* of every railway in the country; and they submitted that the proposed change should not take place until a Commission, on which the public and the commercial and trading communities were represented, had had an opportunity of reporting on the whole matter. The Government of India requested the Government of Madras to give the Chamber an opportunity of stating the changes to which they objected in the time-table, and of pointing out how those changes affected

their interests. Thereupon the local Government resolved to postpone the introduction of the new time-table to the 1st of April. A voluminous correspondence ensued, and various proposals were made by the Madras Government, which the Chamber strongly deprecated, and the Supreme Government did not sanction. At length in November the Duke of Buckingham resigned the Governorship, and the Chamber were enabled to feel some confidence that it would appear to both the Government of India and the Government of Madras, that the commercial and public interests of this Presidency would be best studied by leaving undisturbed in any important degree, the present arrangements for the departure of mail trains from, and their arrival at Madras.

OVERLAND MAIL SERVICE.

In reply to a reference from the Government of India the Chamber said that it was a matter of small importance to Madras whether there was a morning or evening departure from Bombay, provided the mail train left Madras for Bombay at 6-15 P. M.; that they did not consider a fixed day of departure from Bombay all the year round of essential importance to mercantile interest in Madras; that if a fixed day be maintained Saturday would be as convenient for Madras as any other; and that on the other hand if the day of departure should, in the opinion of Government, vary with the season, then the Chamber would approve of the adoption of Lord Hartington's suggestion for a despatch from Bombay on Thursday in the fair season, and Monday in the monsoon.

THE S. I. RAILWAY MAIL TRAIN SERVICE.

In June the Madras Government sanctioned the introduction from the 1st September of a revised train service on the South Indian Railway. The Chamber submitted that the revised arrangements did not meet the reasonable

wishes of the mercantile community. They shewed that by shifting the night portion of the train service, the mail train might arrive at Madras early in the morning, and leave Madras late in the afternoon without any increase being necessary in working expenses. This shifting should they considered, be welcome at the other end of the line. The Chamber said that they regarded the present arrangement as being as inconvenient to the general public and to trade as could well be devised, for at both ends of the line, mails, passengers and goods were liable to a detention that was vexatious and avoidable, and little effort seemed to have been made to atone for the very low rate of speed on the line by so adjusting the hours of arrival and departure as to reduce detentions to the lowest possible minimum. The Government in reply said that they were not able at present to adopt the Chamber's proposals.

REGISTRATION OF TRADE MARKS.

The opinion of the Chamber having been invited on the Bill of the Government of India to provide for the registration of Trade marks, the Chamber reported to the Government that they failed to perceive the need of the proposed measure. The fact that a large trade in a great variety of articles bearing trade marks had been for years transacted in this city without merchants being caused serious inconvenience by the infringement or misappropriation of marks, seemed to them to point to the inexpediency of the Government stepping forward to supply a remedy for abuses which, though alleged to exist, were not familiar to those in this part of the country who would be the first to suffer from them. They therefore urged the Madras Government to deprecate any expense in the creation of any separate Department in this Presidency for giving effect to the measure, and they suggested that the measure should be relieved of its compulsory character.

THE NEW POST AND TELEGRAPH OFFICE.

In February the Government of India stated that it was then impossible to assign funds for the commencement of the construction of the combined Post and Telegraph Office at Madras, but they promised to bear in mind the desirability of having this building put in hand as soon as possible. In March the Chamber, seeing that the Budget Statement revealed a more hopeful financial outlook than was anticipated at the time that the estimate was struck out of the Budget for 1879-80, earnestly invited the Government of India to re-consider their decision, and in the following month the Government of India sanctioned a grant of Rs. 1,00,000 for outlay on the new building. Its erection was immediately commenced.

THE INTRODUCTION OF THE TELEPHONE.

In reply to an enquiry of the Government of India as to how far a Telephonic Exchange, if introduced, was likely to be availed of in Madras, the Chamber said that they entertained the belief that if the subscriptions were moderate, such an exchange would be used to a considerable extent by the merchants of this city.

THE USE OF ARSENIC IN TRADES.

The Chamber having been requested to offer to Government their opinion as to the use of arsenic in trades, stated that they were not aware of its being so employed. They reported that there were about ten shops in this city, where arsenic was sold, and the sales were said to average about 12 oz., only per annum per shop. The price was about 1¼ anna per oz., for the white, and 1½ anna per oz., for the yellow description. They said that in the City of Madras some restriction seemed already to exist, for the vendors alleged that they could only sell arsenic to recognized medical practitioners. But as it was an old complaint that poisons were freely sold in the bazaars in

all parts of the country at prices which brought them within the reach of all classes, the Chamber saw no objection to the introduction of a law which would define the responsibilities of dealers in poisons.

THE DEFINITION OF MACHINERY.

The views of the Chamber having been requested on the question, the Chamber said that they thought it would be desirable to publish in each Custom House, under certain regulations, a list of articles now ordinarily passed free as "Machinery," and that no article should be added to that list, and passed as machinery, without previous reference to the Government of India.

A COTTON FRAUDS ACT.

The Cotton Trade Association at Bellary having made a request to the Government for the introduction of a Cotton Frauds Act, the Chamber were invited to express their opinion on the proposal, and they informed the Government that the subject had frequently engaged their attention during the last sixteen years, and that they adhered to the opinion they had expressed in 1868, that the introduction of the enactment into this Presidency was neither requisite nor desirable. As much difference of opinion existed regarding the beneficial effect of the special law in Bombay, the Madras Government declined to legislate on the subject in opposition to the opinion of the Chamber.

TARIFF ON INLAND TELEGRAPH MESSAGES.

The Governor of Bombay being of opinion that the telegraph charges were extremely high in India, his Government offered to try the experiment of charging half a rupee for 12 or 20 words for local messages, and to guarantee the present revenue derived therefrom. But the Government of India declined to give the requisite sanction.

This Chamber, in a letter to the Supreme Government, expressed their regret that the Bombay Government were not permitted to ascertain, at their own cost, the effect of a reduced tariff within the Bombay Presidency, as if the result proved to be an increase of revenue, it might then be deemed desirable to extend the experiment to other Presidencies and Provinces. The Chamber submitted that it was somewhat inequitable to exact a high tariff from people who usually need to telegraph comparatively short distances, on the plea that they might for the same charge have sent their messages 3,000 miles, and that it was expedient to adopt, with reference to the telegraph tariff, somewhat the same system as applied to the Railway rather than to the postal service, viz., that the charge should vary according to distance.

NEW MEMBERS.

During the year the following gentlemen were elected members of the Chamber:—

Mr. John Kyd, Agent, National Bank of India.

Mr. John McLintock, of Messrs. Best & Co.

Mr. W. S. Robilliard, Agent, Chartered Mercantile Bank.

Mr. P. Stevens, Agent, Oriental Bank Corporation.

Mr. A. M. Saunders, Agent and Manager, Madras Railway.

APPENDIX.

A.

THE IMPERIAL LICENSE TAX.

Chamber of Commerce, Madras, 5th March 1880.

To the Chief Secretary to Government,
Fort St. George.

Sir,—I had the honor, on the 10th September last, of directing the attention of His Grace the Governor in Council to the disproportion that exists between the rates of License Tax demanded in this Presidency, and those levied in Bengal and Bombay, and I expressed the Chamber's hope that the Madras Government would make such a revision of the schedule of the local tax, as seems to the Chamber to be imperatively called for. In reply, you were good enough to inform me, that the Chamber's representation would "receive full consideration in due course."

The letter to which I have referred contains such indisputable evidence of the injustice that is done to traders in this Presidency by the local tax, that I beg to hand herewith, for facility of reference, a copy of that communication.

On the 24th ultimo, a Bill "to amend the law relating to the licensing of trades and dealings" was introduced into the Legislative Council of the Governor-General of India by the Honorable Sir John Strachey. In Sections 8 to 12 of the Bill, a few alterations in the Madras License Act 1868 are proposed, which do not touch the grievance that affects the class which the Chamber represent; and the Chamber have looked in vain in the Statement of Objects and Reasons, for an explanation of the mover's neglect to take advantage of the opportunity that was afforded him to equalise the incidence of Imperial License taxation throughout India.

The important admission was made by Sir John Strachey at the meeting of the Viceregal Legislative Council on the 14th November last, when he introduced a Bill to substitute a comprehensive Imperial for the several local License Tax Acts, that "every local Government in India has now concurred with the Supreme Government in the opinion, that taxation similar in amount to that already borne by the wealthier classes of traders, should be extended to the wealthier classes of officials." As the Supreme, but not the Madras Government, are responsible for the exemption of certain classes of the community from their fair share of the burdens of the State, the Chamber will not presume to trouble His Grace in Council with a further expression of their views on this part of the subject, but I am desired to say, that it is gratifying to the Chamber to learn that the Madras Government, in common with all the Indian Administrations, have endorsed the objections which are entertaintained by traders to the partiality shown in existing taxation.

The Chamber are encouraged by this fact to hope that the Madras Government will be pleased to take into immediate and favorable consideration the Chamber's suggestion that the time is now opportune for remedying the wrong which has for two years been borne by the traders of this Presidency. It is unnecessary, the Chamber would hope, for them to travel over again the ground that they have so often gone over in their attempts to obtain a readjustment, consistent with justice, of the burden of taxation. That the maximum License tax leviable in Madras, the least considerable of the three Presidencies, should be Rs. 800, while in Bengal it is Rs. 500, and in Bombay only Rs. 200, is in itself a fact that condemns the local schedules in a more eloquent way than the Chamber can hope to do. "Equality in the incidence of taxation," is an end that Sir John Strachey declared, on the 14th November, the Government of India are anxious to obtain; and the Chamber cannot suppose that the Madras Government can be indifferent to the continuance of an inequality of the incidence of taxation in this Presidency, for which no explanation has ever been offered, and no defence can be made.

I am, therefore, to beg His Grace the Governor in Council to be good enough to amend the schedule of the Madras Act under which the License tax is levied, so that the grievance indicated may be removed, and until this is done, to issue instructions that no assessments be made for the coming year.

I have, &c.,

P. MACFADYEN,

Chairman.

Chamber of Commerce, Madras, 8th March 1880.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,

Calcutta.

SIR,—It was with considerable satisfaction that this Chamber learnt from the speech delivered by the Hon'ble the Finance Minister at the meeting of the Viceregal Legislative Council on the 10th November last, that "every local Government in India has now concurred with the Supreme Government in the opinion, that taxation similar in amount to that already borne by the wealthier classes of traders," should be extended to the wealthier classes of officials; and that the Government of India had accordingly proposed to repeal the local Acts, and to introduce a comprehensive measure which would remove the invidious exemption of certain classes from their fair share of the burdens of the State, and promote equality in the incidence of taxation in the three Presidencies. The Chamber are therefore proportionately disappointed to learn, that the first consequence of the improved financial position of the country is that the invidious exemption above referred to, is to be perpetuated, notwithstanding the objections of all the Administrations in India. If the financial position of the Empire had not greatly improved since November the just principles which animate the "Trades and Profession Tax Bill" would have been adopted. The Madras traders, who are now the victims of an inequitable incidence of taxation, would then have been afforded the satisfaction of knowing that they paid no more than the traders in other Presidencies, and that other classes also contributed their proper share to the public revenue. But the horizon has cleared; and the Finance Minister, being in a position to dispense with the additional reve-

nue which the Trades and Profession tax of the Government of India would have yielded, does not propose to rectify an injustice which has been disapproved by the highest financial authorities in England, as well as by the chief authorities in India.

Sir John Strachey remarked on the 14th November, in the speech above referred to, that "Governments cannot be guided by mere abstract theories." The Chamber cannot readily imagine a theory which is better entitled to be included in this category than the one that is responsible for the imposition of the Famine Insurance Fund on traders and agriculturists, while other classes were exempted from it. The Finance Minister says that the commercial and argicultural classes are those which "are in a position to obtain large profits when their own Provinces are flourishing, and other Provinces are suffering." This assumption might support the plea of the commercial and agricultural classes of this much stricken Presidency, to be relieved altogether from the License tax; but the Chamber are not disposed to ask for an exemption for the commercial class from all liability to taxation. They consider that if the proceeds of the License Tax are still absolutely necessary to the Government, the burden should be apportioned equitably among all classes of the community. But they dissent from the anxiety that is again shewn to extend to the official and professional classes a consideration which will compel the commercial and agricultural classes to pay more than their fair share of the tax.

It has been the belief of this Chamber that the Government of India would not willingly do manifest injustice to any section of the community, and perpetuate it on the ground of expediency, or on that of the alleged inconvenience of doing what is right. The Chamber are therefore at a loss to understand the defence which the Finance Minister offered, in the course of his Statement of the 24th ultimo, of the continuance of the present exemption of officials and others from liability to the License Tax. He asked, "is it now desirable" to impose that tax on officials and professional men "merely for the purpose of making our system of taxation more theoretically a equal, and removing to some extent the reproach which undoubtedly is true, that certain classes do not at present bear their full share of the public bur-

dens." The Chamber confidently assert in reply that the question is not one of mere expediency, but of justice to the classes who are already taxed. The reproach is a serious one to which the Finance Minister alludes, and the Chamber entertain the hope, that the Government will on reconsideration perceive that the present inequality of taxation is something more than a theoretical hardship. A wrong which has provoked severe censure in Parliament and elsewhere, and which is admitted to be a wrong by the Supreme and all the Local Governments of this Country, should, it seems to the Chamber, be redressed on the earliest possible opportunity. The Government are supposed to be as watchful of the interests of the non-official as of the official classes, for their sympathies are assumed to be general. This being so, it must be incumbent on the Government, the Chamber respectfully submit, to require all classes of the community who are in a position to do so, to "bear their full share of the public burdens." The injustice of compelling two classes to pay more than their full share of those burdens in order that other classes, far better able to pay the tax, may escape altogether would then cease to be a reproach to the Government.

I beg that you will take the earliest opportunity of laying this letter, which I send in triplicate, before His Excellency the President, the Honorable the Finance Minister, and the Select Committee on the Bill No. 5 of 1880, to amend the law relating to the licensing of trades and dealings. I have also to hand you, by desire of the Chamber, copies of the two letters dated the 10th September last, and the 5th instant, which the Chamber have addressed to the Madras Government on the subject of the inequitable severity of the rates charged in the Schedule of the local License Act.

I have, &c.,
P. MACFADYEN,
Chairman.

Chamber of Commerce, Madras, 8th June 1880.

TO THE SECRETARY TO GOVERNMENT,
Revenue Department.

SIR,—I am desired to acknowledge receipt of Proceedings of Government, 10th ultimo, conveying to the Chamber the

information that a letter has been addressed by the Madras Government to the Government of India on the 10th ultimo with reference to the Chamber's letter of the 5th March last on the subject of the Imperial License Tax.

As the Government have been precluded from communicating a copy of their letter to the Chamber, it only remains for the Chamber to entertain a hope that the views which they have expressed have been supported by His Grace the Governor in Council, and to ask that the Government will be pleased to order the suspension of the collection of the tax until they receive a definite reply to their letter from the Government of India.

I have, &c.,

P. MACFADYEN,

Chairman.

Abstract of the Proceedings of the Council of the Governor of Fort St. George assembled for the purpose of making Laws and Regulations under the provisions of the Act of Parliament, 24 and 25 Victoria, Cap. 67.

The Council met at the Council Chamber at Ootacamund on Friday, the 9th day of July 1880.

MADRAS LICENSE ACT OF 1878, AMENDMENT BILL.

The Hon'ble W. Hudleston introduced this Bill, and said its object was to amend the Schedule annexed to the Madras License Act, by striking out the three highest classes of assessment, which were higher than those prevailing in any other part of India. The scale had been adopted when the License Tax was first imposed in Madras, and though the Chamber of Commerce very soon complained of its being excessive, legislation in Madras to remove the inequality had been delayed, as there was reason to expect that the Government of India would supply the legislative remedy. They had now, however, abandoned this intention, but had approved the amendment of the law proposed by this Government to reduce taxation here, so that the maximum rate should be reduced to Rupees 500, which is the highest rate in force elsewhere. The reduction will operate for the current official year, and the immediate financial effect will apparently be to reduce 40 assess-

ments aggregating Rupees 27,800 to Rupees 20,000. He would now apply for the suspension of the Standing Orders, so that the Bill might be considered and passed forthwith.

His Grace the President having suspended the Standing Orders, and no discussion arising, the Bill was passed.

MADRAS ACT NO. III OF 1880.

[*Received the assent of the Governor on the 6th August* 1880, *and of the Governor-General on the 22nd September* 1880.]

An Act to amend the Schedule annexed to "The Madras License Act, 1878," *as amended by Act VI of* 1880.

Preamble.

Whereas it is expedient to amend the schedule annexed to "The Madras License Act, 1878," as amended by Act VI of 1880; It is hereby enacted as follows :—

Substitution of Schedule annexed to Madras License Act, 1878.

1. For the schedule referred to in Section 5 of the said Act and annexed thereto, the following schedule shall be substituted, with effect from the 1st April 1880.

THE SCHEDULE.

Tax on Trades, Dealings, and Industries.

	Yearly. Rs.
Class I.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 25,000 and upwards	500
Class II.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 20,000 or more than Rs. 20,000 and less than Rs. 25,000.	400
Class III.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 15,000 or more than Rs. 15,000 and less than Rs. 20,000.	300
Class IV.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 10,000 or more than Rs. 10,000 and less than Rs. 15,000.	200
Class V.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 5,000 or more than Rs. 5,000 and less than Rs. 10,000...	100
Class VI.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 2,500 or more than Rs. 2,500 and less than Rs. 5,000 ...	50

	Yearly.
Class VII.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 1,250 or more than Rs. 1,250 and less than Rs. 2,500 ...	Rs. 25
Class VIII.	
Persons whose annual nett earnings or profits shall be adjudged to be Rs. 500 or more than Rs. 500 and less than Rs. 1,250 ...	10

B.

GOVERNMENT PROMISSORY NOTES.

Proceedings of the Madras Government, Financial Department, 22nd March 1880.

Read the following Resolution of the Government of India, Department of Finance and Commerce, dated 9th December, 1879, No. 4,256 and Proceedings of the Board of Revenue, dated 15th March 1880, No. 370.

ORDER THEREON, 22nd March, 1880, No. 608.

These papers will be forwarded, in original, to the Chamber of Commerce, Madras, with request that they will be good enough to favor this Government with their views on the proposed scheme for dealing with public securities held in deposit by Government officers.

R. DAVIDSON,
Chief Secretary.

Proceedings of the Board of Revenue, dated 15th March 1880.

Read the following papers :—

Resolution of the Government of India, Department of Finance and Commerce, dated Fort William, the — December 1879.

Government Promissory Notes are frequently deposited with public officers *ex-officio*, either as endowments in trust for the Court of Wards on behalf of minor or disqualified proprietors, by Municipal and other corporations as security for the performance of public duties or contracts, or in other ways.

2. It is found that, owing to the inexperience of local officers, certain risks attend these transactions, to the Government on the one hand, and to the local or private interests concerned on the other.

3. The Governor-General in Council has accordingly decided that henceforth all such public securities, excepting securities belonging to the Currency Reserve, deposited, for more than six months, with public officers in any department throughout the Bengal Presidency and British Burma, shall be entrusted to the Comptroller-General; those deposited with public officers in every department in the Madras Presidency shall be entrusted to the Accountant-General, Madras, and those deposited with public officers in every department in the Bombay Presidency shall be entrusted to the Accountant-General, Bombay.

4. No Government Promissory Note shall henceforth be *ex-officio* bought, sold, or held for more than six months, and interest shall not be drawn upon any such note by any public officer excepting in the Bengal Presidency, the Comptroller-General; in the Madras Presidency, the Accountant-General, Madras; and in the Bombay Presidency, the Accountant-General, Bombay.

5. All Government Promissory Notes now held by any other officer *ex-officio* shall, immediately on the receipt of these orders, be endorsed over and remitted through the Accountant-General as defined in Section 84, Rule 2, of the Civil Pension Code, who will keep his own register, the Comptroller-General, the Accountant-General, Madras, or the Accountant-General, Bombay, as the case may be.

6. Each of these three officers shall immediately convert all Promissory Notes thus received, or hereafter received under these rules, into stock or book debts, of which he shall keep the fewest possible accounts. To this end, he shall, as far as possible, transfer all the 4 per cent. Promissory Notes, which he may at any time hold under these orders, into one only of the 4 per cent. loans.

7. These stock accounts shall be called "Trust Stock Accounts." A commission of one-eighth per cent. in addition to any actual outlay on brokerage shall be charged by each of these officers for the purchase and sale, under these orders, of Government Promissory Notes, and a commission of one-quarter per cent. for drawing and remitting the interest on any Government

Promissory Notes, excepting notes belonging to any charitable endowment. These commissions shall be deducted from the payments next due to the body or person interested and credited as Imperial Miscellaneous Revenue.

8. As soon as possible, after the 1st of each successive January, each of these three officers shall give an account of the Trust Stock Accounts in his keeping on that day, showing, on the one hand, the number and amount of each stock certificate which he holds, and, on the other, the particulars of all the sums of which these Trust Stock Accounts are composed.

9. Public officers in the Bengal Presidency will forward any Promissory Notes which are now *ex-officio* in their possession, or hereafter come into their *ex-officio* possession, to the Accountant-General as defined in Section 84, Rule 2, of the Civil Pension Code, and will correspond with him on all matters connected therewith.

10. The Comptroller-General will be in account with the said Accountant-General only, who in his turn will be in account with all the officers depositing securities with him.

11. In the same manner public officers in the Madras and Bombay Presidencies, not in direct account with the Civil Accountant-General, will deal directly with the Account officers with whom they are in account, who will correspond with the Accountants-General, Madras and Bombay.

12. In the accounts prescribed in paragraph 8, the Comptroller-General, or, as the case may be, the Accountant-General, Madras or Bombay, will publish in one abstract the amount of stock held in account with each of the several Account officers with whom they are to be in account under paragraph 10 or 11. But a separate account working up to the totals shown in each of these abstracts must be prepared by the Account officer concerned and published in the local Gazette.

13. Thus the accounts to be published under this Resolution will be as follows. . . .

14. The Comptroller-General will issue needful subsidiary orders in respect to the distribution of interest accruing upon the

Trust Stock Accounts, the re-issue of Promissory Notes or stock certificates when securities are withdrawn, &c.

15. Government Promissory Notes held by Municipalities, Port Trusts, and any other public corporations may, at their discretion, be deposited with the Government under these rules, but no public officer shall accept or hold such deposits *ex-officio* in any other way than as now prescribed.

ORDERED that this Resolution be distributed for information and guidance as follows:—

1. To the several Departments of the Government of India.
2. To the several Local Governments and Administrations.
3. To the Comptroller-General and to the several Accountants-General and Deputy Accountants-General in independent charge.
4. To the several Chiefs of Departments administered by the Government of India in the Financial Department.

R. B. CHAPMAN,
Secy. to the Govt. of India.

Forwarded to the Government of Madras for report whether there is any objection to the issue of this Resolution.

R. B. CHAPMAN,
Secy. to the Govt. of India.

Fort William, 9th December 1879.

Referred to the Board of Revenue for their opinion.

C. G. MASTER,
Acting Chief Secretary.

Fort St. George, 16th December 1879.

Official Memorandum from H. B. GRIGG, Esq., Acting Under Secretary to Government, Financial Department, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Fort St. George, 13th January, 1880, No. 59.

The Board beg to submit the following remarks with reference to the scheme proposed in the above paper for dealing with Government Promissory Notes held in deposit by Government officers.

2. The chief items of deposits of Government Promissory Notes are detailed below :—

1. Government Promissory Notes held by various Government officers as endowments of charitable institutions.

2. Government Promissory Notes held by the Court of Wards on behalf of minors, &c.

3. Government Promissory Notes deposited by purchasers of salt on the credit system.

4. Government Promissory Notes deposited by Abkari Contractors.

5. Do. do. do. by Department of Public Works Contractors.

6. Government Promissory Notes deposited by Local Fund Works Contractors.

7. Government Promissory Notes deposited by Government servants and their sureties as security for the performance of public duties.

8. Government Promissory Notes held by Clients and their sureties in Civil Courts.

9. Government Promissory Notes held by Clients under Penal Laws.

10. Do. do. do. by Contractors for the supply of stores in Commissariat, &c., Departments.

3. Under the existing system, when Promissory Notes are deposited with a public officer, the depositor transfers them by endorsement to the officer, who takes charge of the notes and secures them in his own office or in some adjacent treasury. When interest falls due on the notes, the depositor applies for payment of the same, and the officer with whom the notes are deposited draws the amount in due course and pays it to the depositor, no fee or commission being charged and no expense being incurred by the depositor on this account. When the retention of the Promissory Notes becomes unnecessary and the depositor applies for their return, the notes are transferred to the name of the depositor and handed over without any delay or expense to the depositor.

4. Under the scheme proposed by the Government of India, it is intended to convert these deposits of Promissory Notes into stock or book debts. This, the Board presume, will involve the cancellation of Promissory Notes tendered as deposits.

5. It is also proposed to charge a commission of one-eighth per cent. on purchases and sales of Promissory Notes in

addition to outlay on brokerage, and of a quarter per cent. on interest drawn and paid, excepting Promissory Notes belonging to any charitable endowment.

6. The cancellation of Promissory Notes tendered as deposits will put depositors to considerable inconvenience when they have occasion to withdraw their securities. Fresh notes will have to be issued on withdrawal, and as such issue cannot, the Board presume, be made without reference to Calcutta, depositors will be deprived of the use of their Promissory Notes during the time occupied by this reference, and such delay to men of business involves loss of money; for instance notes to a considerable amount are held by the Commissioner of Salt Revenue as security for the due payment of the value of salt supplied on the credit system; the notes can now be withdrawn at short notice on clearance of the account, leaving the merchant free to dispose of his securities in the manner best suited to his interests. If there is any delay in returning the security, the Board apprehend that the depositor would have a valid claim against Government for any loss which he might sustain. Such a claim was allowed in G.O., 19th August 1879, No. 1,727.

7. At present moreover depositors can, even before the expiration of the period for which Promissory Notes have been deposited by them, apply for, and obtain their return on substituting other securities of equivalent value. This enables depositors to take advantage of any fluctuations in the market which render a change of investment advisable, but this advantage will be lost if all Promissory Notes deposited with Government officers must be cancelled and converted into stock or book debts.

8. As regards the proposal to charge a commission on purchases and sales and on interest drawn and paid, depositors have not hitherto been subjected to such a charge, and the Board are of opinion that Government cannot legally make the demand in respect of securities now held, the liability not being one of the conditions on which the notes were deposited.

9. Another point of difficulty is that the market value of the securities fluctuates, and the Board do not understand how the difference is to be adjusted. According to paragraph

6 of the Resolution all 4 per cent. Promissory Notes which the Accountant-General may hold are to be transferred into one only of the 4 per cent. loans, but supposing the market value of the notes of the loan to which the security has been transferred not to correspond with that of the notes originally deposited, how is the adjustment to be made? If the paper deposited has become depreciated, how is the difference to be recovered from the depositor?

10. The Board are aware that local officers owing to special financial inexperience sometimes commit mistakes in dealing with Promissory Notes, but the Board do not think that such errors are numerous, or that the inconvenience arising therefrom has been so great as to necessitate the adoption of a system which involves delay and expense to the depositors. They would suggest that the opinion of the Chamber of Commerce should be obtained as the interests of the mercantile community will be principally affected by the proposed system, and the Board anticipate strong objections to the measure.

A. C. GALTON,
Acting Secretary.

Chamber of Commerce, Madras, 6th May 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor to inform you in reply to the Proceedings of Madras Government 22nd March relative to the Government of India's scheme for dealing with Government Promissory Notes held in deposit by Government officers, that the Chamber endorse the objections that have been already expressed to the Government by the Board of Revenue. It seems to the Chamber that it should not be within the power of the Government to exchange, at their discretion, any one class of securities that may be deposited with them for any other class, and that it is incumbent upon the Government to return to the depositor in due course the identical notes that he offered, and that were accepted, as securities. The Chamber can understand the desire of the Government to facilitate work by promoting uniformity in regard to Government Promissory

Notes held as Securities, but they cannot approve of the proposal to modify the existing system, nor can they at all recognise the desirability of Government imposing a charge for commission on the receipt and payment of interest.

I have, &c.,

P. MACFADYEN,
Chairman.

C.

FLUCTUATIONS IN TRADE.

Sea Customs Collector's Office, Madras, 20th April 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honor to forward for your information two statements showing the Import and Export trade in the port of Madras during the year 1879-80 compared with that of the previous year, and to request that you will be so kind as to favor me at an early date with remarks as to the causes of the fluctuations in trade disclosed by the statements, and with any further remarks which you might offer.

The Board of Revenue, in reviewing the trade returns for 1878-79, remark that "nearly half the foreign trade of the "Presidency being concentrated at the chief port, and the "largest mercantile firms being located there, the Board look "to the Collector of Sea Customs Madras to furnish much of "the information to be embodied in their review."

I have, &c.

C. S. CROLE,
Ag. Collr. Sea Customs.

Chamber of Commerce, Madras, 22nd April 1880.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—I am desired to inform you in reply to your letter of the 20th instant that the Chamber are unable to accept the official values of exports and imports as a reliable test for

estimating the progress or decline of trade, and that they consider that the state of commerce can alone be safely gauged by a careful comparison of the quantities of articles that are cleared year by year at the Custom House. The statements therefore that you have favored the Chamber with convey very little useful information as compared with the enclosed comparison of the quantities of imports into, and exports from the port of Madras for the eleven years ending 1879.

It is observable from the figures contained in the enclosed statement, that the famine in 1877-78 exerted a very depressing influence upon the trade of this port, and that the revival of mercantile activity last autumn effected a marked improvement in local commerce.

I have, &c.,

P. MACFADYEN,

Chairman.

Sea Customs Collector's Office, Madras, 28th April 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,

Madras.

SIR,—I have the honor to acknowledge the receipt of your letter dated 22nd instant, and to inform you that the returns of fluctuations of trade forwarded to you are in the form prescribed by the Board of Revenue. Similar returns showing the progress or decline of trade in terms of quantities would have to be prepared for the year 1879-80 as well as 1878-79 by abstracting the monthly returns afresh, and this would necessarily involve much delay. I have satisfied myself that their preparation would take at least a fortnight. The Administration Report of the Madras Sea Customs Department has to be submitted to the Board of Revenue before the end of May next, and under these circumstances I regret my inability to furnish information in the form asked by the Chamber. I need hardly say that I shall be happy to place the original monthly returns which show both quantity and value at the disposal of the Chamber for reference should they desire it.

With reference, however, to the Chamber's remark that the value test is not "reliable for estimating the progress

or decline of trade," I would draw attention to the fact that it can only apply if the increase or decrease be slight, or in extremely rare cases, which must, of course, be well known to the Chamber, of violent changes in values. But where the variations are represented by considerable amounts as will be seen to be mostly the case by a reference to the statements, I do not see how any of the ordinary fluctuations in values can possibly so affect the returns as now prepared, as to render any opinion based on them by the Chamber other than a very valuable contribution to the solution of the causes of progress or decline in trade during 1879-80.

I have the honour further to draw the attention of the Chamber to another error into which it has inadvertently fallen. You say that you "are unable to accept 'the official values of exports and imports as a reliable 'test for estimating the progress or decline of trade." The fact is that the figures entered in the returns, which I had the honor of submitting to you, are not "official" values at all. They are the totals of the "real value declared" in the Bills of Entry and Shipping Bills by the Mercantile community itself. The figures have, consequently, a claim on the fullest confidence of the Chamber. I may observe moreover that, even supposing these "values" to have been "official," and therefore perhaps unreliable, the error thereby imported into the calculations would have been a constant quantity each year, and might therefore be safely left out of account for purposes of comparison.

Under these circumstances I have the honour to request that the Chamber will kindly reconsider their letter and favor me at their earliest convenience with such remarks as occur to them on the subject of the trade in this Presidency in 1879-80 compared with 1878-79.

I have, &c.,

C. S. CROLE,

Ag. Collector of Sea Customs.

Chamber of Commerce, Madras, 6th May 1880.

To the Collector of Sea Customs,
Madras.

Sir,—The Chamber have read with interest your letter of the 28th ultimo, in reply to my communication of the 22nd idem, and I am desired to say with reference to it, that they do not challenge the accuracy of the figures that you have been so good as to lay before them, but prefer to accept quantities as a safer test of the course of trade than values.

I have, &c.,

P. Macfadyen,
Chairman.

D.

REGULATION OF LABOUR IN FACTORIES.

Proceedings of the Madras Government, Judicial Department, 6th May 1880.

Read the following paper :—

From D. Fitzpatrick, Esq., Secretary to the Government of India, Legislative Department, to the Chief Secretary to Government, dated Simla, 24th April 1880, No. 451.

I am directed to forward, herewith, forty copies of the papers noted in the margin, and to request that His Excellency the Governor in Council will favor the Government of India in this Department with an expression of his opinion on the provisions of the Bill, and with the opinions of such selected officers as His Excellency in Council may think fit to consult on the subject.

Bill (No. II) to regulate labor in factories.
Report of Select Committee on the above Bill.

2. I am also to request that the Bill and Report may be published in the *Fort St George Gazette* in English, and in such other languages as His Excellency in Council may deem proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 1st July next.

ORDER THEREON, 6th May 1880, No. 1,090.

His Grace the Governor in Council resolves to request the Honorable the Judges of the High Court, the Board of Revenue, the Chamber of Commerce, the Trades Association, and the officers marginally named to offer their remarks on the Bill (No. II) to regulate labor in factories, and communicate the same to Government by the 15th of June 1880.

The Advocate-General,
Collector of South Arcot,
" of do Canara,
" of Bellary,
" of Cuddapah,
" of Chingleput,
" of Coimbatore,
" of Malabar,
" of Ganjam,
" of Salem,
" of Godavari,
" of Tinnevelly &
" of Vizagapatam

2. The Bill and Report have been already published in the *Fort St. George Gazette*, dated 16th March last.

3. The Translators to Government will be furnished with copies of the Bill and Report of the Select Committee on the Bill, with the direction that they will transmit, with as little delay as possible, translations of the same direct to the Superintendent of the Government Press for publication in the Gazette.

J. A. DAVIES,
for Chief Secretary.

Chamber of Commerce, Madras, 8th June 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—On the 31st January of last year the Chamber had the honor of submitting for the consideration of Government their opinions of the Bill of 1878 to regulate labor in Factories. They have now desired me to acknowledge receipt of Proceedings of Madras Government 6th May, handing a copy of the revised Factories Bill, together with the Report of the Select Committee, and requesting the Chamber to offer their remarks on the proposed measure as amended.

The Chamber's letter of the 31st January 1879 entered into such detail with regard to this scheme of legislation that the Chamber are unwilling to again discuss at much length the proposals of the Supreme Government, especially as they have had the satisfaction of observing, that several of the sugges-

tions that they made with reference to the Draft Act of 1878 have been acted upon in the revision of the Draft Act of 1880.

The Chamber continue to think that the measure should not be made of universal application in India, and that its introduction into the various provinces should be confided by the Supreme Government to the discretion of the Local Administrations. The inclusion of all factories for the spinning of yarn, or the weaving of cloth by means of steam machinery in all parts of India might be directed without occasioning any local hardship, as the conditions of such factories may be assumed to be nearly identical throughout the country. But the Chamber are anxious that power should be reserved to the Government of Madras to exclude the Coffee-curing establishments of the Western and Eastern Coasts from the operations of an Act which does not appear to the Chamber suitable for the protection of the interests of the thousands of men, women, and children who gain a livelihood therein. It is a benevolent consideration for the good of the greatest number that has prompted the introduction of the measure under consideration; but it is none the less important that the basis of the interference of Government with the labor of the industrial classes shall be that of rectitude. It is also expedient that theories which have been advantageously acted upon in England for the protection of operatives since the infancy of factories, should not be hastily accepted as applicable to the state of things that obtains in the congeries of large States that form the Empire of India.

Believing, as the Chamber cannot but do, that the people employed on Coffee works have nothing to gain but much to lose by official interference with their liberty of action, the Chamber respectfully urge the Government to recommend such an amendment of the definition of the word "factory" as will leave no room for doubt about the exclusion of those establishments from the operation of this measure. The business of Coffee curing has been conducted in Southern India on a large and steadily increasing scale for many years past without anything having occurred, so far as the Chamber are aware, to call for the interposition of Government in defence of the general interests of the people employed; and it seems to the Chamber

illogical that the development of factory enterprise in various parts of India, should expose Coffee curing establishments to serious liabilities which have not hitherto been thought requisite, and which the Chamber are convinced are not called for.

I have, &c.,

P. MACFADYEN,
Chairman.

E.

ALTERATIONS IN BILLS OF LADING.

Chamber of Commerce, Madras, 8th June 1880.

TO THE SECRETARY BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—It has been brought to the notice of this Chamber that, at a meeting in London of merchants and shipowners on the 21st April, convened under the auspices of the General Shipowners Society, it was arranged that "the merchants in Calcutta be asked to appoint, within three months from now, six merchants in London to meet six shipowners as a Committee empowered to finally fix the Bill of Lading."

Your Chamber are already aware that the Madras Chamber are altogether averse to any change in the existing Bill of Lading, and that they consider a case has not yet been made out for the introduction of a Document, which, in the words of the Government Solicitors of Calcutta, "would practically exempt the ship from claims of any sort."

This Chamber have not been invited by the General Shipowners' Society to appoint a merchant, or merchants, to represent the interests of Madras; but as the Chamber do not wish to be unrepresented, I am desired to say, that this Chamber will be glad of the opportunity of having the interests of local trade represented by one merchant at the approaching conference. I may add that the Chamber will esteem it a favor if your Chamber will permit them to see the instructions that your Chamber

have addressed to the representatives who have been nominated in London.

I have, &c.,

C. A. LAWSON,

Secretary.

TELEGRAM—16TH JUNE 1880.

From Chamber of Commerce, Calcutta. *To Chamber of Commerce, Madras.*

Please telegraph your proposed representative Bill Lading Conference for submission to Meeting here next Monday, your letter answered.

THE COMMITTEE'S REPLY—17TH JUNE 1880.

From Chamber of Commerce, Madras. *To Chamber of Commerce, Calcutta.*

This Chamber name William Macfarlane, of H. B. Muir Company, their representative.

Chamber of Commerce, Calcutta, 16th June 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—In acknowledging the receipt of your letter of the 8th instant, I have the pleasure, by direction of my Committee, to hand you a printed copy of the correspondence which has been furnished to the members of this Chamber and others who signed the protest forwarded in August last to the Chairman of the General Shipowners' Society, London.

A special Meeting has been convened for Monday the 21st instant, for the purpose of appointing representatives of the Indian trade to meet the London Shipowners at a Conference to settle the Bill of Lading question; and my Committee will not fail to submit to the meeting the desire of your Chamber that your local interests should also be represented, and to communicate to you the instructions that may be addressed to the gentlemen who may be nominated.

As I am afraid this letter will scarcely reach you in time for declaring your nominee so as to place his name before the Meeting on Monday, I have sent a message by telegraph.

I have, &c.,

H. W. I. WOOD,

Secretary.

Bengal Chamber of Commerce, Calcutta, 1st June 1880.

TO MESSRS. STAUNTON & CO.,

DEAR SIRS,—With reference to the action taken in August last by Members of the Chamber, and others interested in the question, regarding certain proposed alterations in Bills of Lading now in use for sailing ships engaged in the export trade with London and other home ports, and to the protest against these proposed alterations forwarded to the Chairman of the General Shipowners' Society, London, I am directed to furnish you with the accompanying printed copy of a letter from the Committee appointed (at a public Meeting of Merchants and Shipowners') to superintend the preparation of a form of bill of lading such as might be generally accepted.

Copy of that document is forwarded herewith.

I am at the same time instructed to furnish you with copy of a letter from Mr. Reinhold, and of the minutes of proceedings of the meeting referred to. These Mr. Reinhold has been so good as to obtain from the notes of short-hand writers engaged by him for the purpose of informing you fully of the discussion that took place.

The Committee submit these papers for your consideration in anticipation of an early meeting to be held with a view to appointing representatives of Calcutta firms resident in London to meet Shipowners there in order to arrive at a settlement of the question.

I have, &c.,

H. W. I. WOOD,

Secretary.

London, April 22nd, 1880.

H. W. I. WOOD, ESQ.,

Secretary, Bengal Chamber of Commerce, Calcutta.

SIR,—Having been appointed by a public meeting of merchants and shipowners engaged in the Calcutta trade as a Committee to superintend the preparation of a bill of lading for sailing ships homewards, we jointly acknowledge the receipt, in September last, through the Bengal Chamber of Commerce, by Mr. Corry, one of our number, of a protest signed by a large number of merchants in Calcutta against the introduction of the proposed new form of bill of lading, and about the same time the receipt of a very comprehensive examination of the different clauses of the document by Messrs. Sanderson & Co., Government Solicitors in Calcutta, which we made it our business fully to consider and to submit to the judgment of our best legal authorities here.

Under the advice of Messrs. Freshfields, the well-known solicitors to the Bank of England, instructed by Mr. Mathew, Q. C., the enclosed form of bill of lading has been prepared, and was yesterday submitted to a meeting at the Cannon-street Hotel, which was called as per accompanying circular.

This meeting did not approve of any definite arrangement being come to without communication with their friends in Calcutta, at the same time it was felt that as the shipowners had no representatives in Calcutta (all the shipowners being resident in this country,) a full and fair discussion of the various clauses of the bill of lading could hardly be looked for.

It was therefore unanimously agreed that copies of the proposed new bill of lading should be sent to you as Secretary of the Chamber of Commerce of Bengal, and that you be requested to say if the form suggested is approved by the mercantile community or not, and should it be that it is not approved, that the Chamber of Commerce be requested to appoint some half-dozen gentlemen, members of Calcutta firms here, to meet a similar number of shipowners in London, by whose joint endeavours a form of bill of lading suitable to the growing necessities of the trade may be produced, which will be accepted both by merchants and shipowners.

It is with the view of an early and an amicable arrangement being come to on the basis suggested that we now address you, and we respectfully solicit your best efforts to promote it. It is anticipated that before the expiry of three months we shall have the pleasure of hearing from you.

We are, &c.,

JOHN CORRY, *Chairman of Meeting.*

S. A. RALLI, *Ralli Brothers.*

J. BLACKWOOD.

GEORGE DUNCAN, *by authority* John Corry.

London, 22nd April, 1880.

H. W. I. WOOD, ESQ.,

Secretary, Bengal Chamber of Commerce, Calcutta.

DEAR SIR,—In a previous communication I have already acknowledged your letter of 1st March, and have since received your favor of the 16th March, with an enclosure containing copy of a letter from the Bradford Chamber of Commerce, to which I have sent a reply as requested, the copy of which you will find herewith.

Since then I have been invited by a letter from Mr. John Corry to attend a meeting in reference to a modified form of bill of lading for sailing vessels homeward from Calcutta. This invitation, though dated the 14th April, has reached me and others only two days prior to the meeting. The meeting itself took place yesterday at the Cannon-street Hotel, and in order to give the Committee of the Chamber a full and true account of what took place, I engaged a short-hand writer, whose report I forward herewith for information. I must leave it to the Chamber to communicate it to those firms who are not members, but who signed the protest, if they think proper.

This information shows best the arguments brought forward by the shipowners, and the line of action taken by those Calcutta merchants present.

Our task was not an easy one, because we had virtually to decline sanctioning the labours of those gentlemen (Messrs. Ralli and Blackwood) who had been associating with the Shipowner's Committee. This is to be very much regretted, inasmuch as in the absence of any refutation on the part of their legal advisers of Messrs. Sanderson & Co.'s objections upon which the Calcutta protest was based, and upon which, necessarily, we had to take our stand-point, we as laymen were quite unable to judge of the modifications introduced, which at all events we did not deem sufficiently satisfactory, far less to pass and adopt as binding upon our fellow-merchants in Calcutta.

The final argument and excuse brought forward by shipowners, even to some extent supported by Messrs. Ralli and Blackwood, was this; because we Calcutta merchants have to some extent, in some measure, acquiesced in the clauses of late years introduced in the steam-ship bills of lading there was scarcely sufficient argument advanced why we should oppose the far less stringent clauses now sought to be introduced in the sailing ship bills of lading; and all the shipowners wanted was this, that some clause now to be introduced should free them of a liability which had hitherto been but imperfectly understood by them, but which merchants could cover under an ordinary Lloyd's policy, and should therefore be shifted upon them; that in future they would not be responsible for any fault or neglect of the master, pilots, &c., which I have underlined.

I need not go into the details of our various grounds of opposition; you will find these fully set out in the accompanying verbal report: but I take the liberty to suggest, if your Chamber agrees to give power to six gentlemen of Calcutta firms chiefly interested in

the export of produce from Calcutta homewards, to meet a Committee of shipowners, and decide finally on either a rejection pure and simple, which means war between the merchants' and shipowners' interests, or conceding given points of minor importance. There are some alternative courses open, *viz* :—

1. The Chamber may refuse to do anything. This would however hardly be in keeping with previous action and the wording of our protest of last year.

2. The Chamber may limit the power of their representatives to a given line of action; for instance, to concede only, and have inserted in the old bill of lading a clause granting shipowners the non-liability for neglect of masters, officers, pilots, &c. (above referred to), and which legal authority says is an insurable risk under an ordinary Lloyd's policy.

3. The Chamber may fetter the action of their representatives with the condition that simultaneously the steamer bill of lading shall likewise undergo a revision, and such clauses as are so very objectionable to mercantile interests shall be expunged.

With regard to this latter clause, there is just this to be said, that the Shipowners' Committee may object to entertain any discussion on the steamer bill of lading as belonging to a different set of owners altogether.

In the meantime such liability as arises from heat, sweat, rust, &c., which frequently causes such serious losses to the shipper, and for which the primary causes must be sought for in *bad ventilation* and over-loading of ships, I think the Calcutta Chamber should petition the local Government to have a clause inserted into the Merchant Shipping Act, to appoint a port officer to see that ships loading in Calcutta are properly ventilated, and not overloaded before they leave port, that some protection may be afforded by the marine authorities to guard the interests of merchants. I am credibly informed that such a clause was drafted and intended to be brought forward by the late Conservative Government, but they were persuaded by the powerful shipping interest to leave it alone.

The merchants have little or no chance or power to see the goods until the ship on this side is practically discharged, or so much cargo removed as to render the proof on this side impossible; thus we are virtually unprotected, though everyone conversant with such damages to cargo is equally convinced that the remedy is easy and possible by ordinary care of the master, though the master himself is in many cases fettered by injunctions from his owners to fill all available space with cargo, and the equitable undertaking in the old bill of lading "to deliver in the same good order and condition the cargo at the port of discharge," which was entrusted to him at the port of loading, is in reality set at nought.

It has been suggested, and I trust it may be carried out, that an Eastern Merchants' Association should be formed in London with a standing office and Secretary, which will offer, in similar cases like

this bill of lading affair, the readiest means of communication and protection to mercantile interests in the East; in the meantime my friends, Messrs. Lattey and Hart, Solicitors, at 16, Devonshire-Square, Bishopsgate-street, have kindly undertaken to reply to any communication which may reach during the next two months—May, June—whilst I am absent from London.

Recommending this matter to the kind attention of the Committee of your Chamber.

I am, &c.,

H. REINHOLD.

EASTERN TRADE SAILING SHIP BILL OF LADING HOMEWARDS.

Shipped in good order and condition by
on board the Ship
whereof is Master for this present
voyage lying in the Port of
and bound for
being marked and numbered as per margin (if quality marks are used they are to be of the same size as the leading marks and contiguous thereto), and the Ship shall be responsible for the correct delivery of the same, and to be delivered, subject to the exceptions and conditions hereinafter mentioned, in the like good order and condition from the Ship's tackles, where the Ship's responsibility shall cease, at the aforesaid port of
or so near thereto as she may safely get; unto
or to his or their Assigns. Freight to be paid for the said goods at the rate of
Average as accustomed.

The following are the exceptions and conditions above referred to:—

Weight, measure, quality, contents, and value unknown.

The Act of God; the Queen's enemies; pirates; robbers by land or sea (but not pilferage); restraint of princes, rulers, or people; loss or damage from heat, or fire on board, in hulk or craft, or on shore; jettison; barratry; any act, neglect, or default whatsoever, of Pilots, Master, or Crew in the navigation of the Ship in the ordinary course of the voyage; and all and every the dangers and accidents of the seas and rivers, and of navigation of whatever nature or kind are excepted.

The Ship is not liable to the Owners of the goods for insufficient packing, or reasonable wear and tear of packages (cutting excepted); for obliteration, of marks or countermarks, numbers, address or description of goods shipped; leakage; breakage; sweat; rust; decay. Fines and expenses and losses by detention of Ship or cargo, caused by incomplete or incorrect description of contents or weight, or of any other particulars required by the authorities at the port of discharge, upon either the packages or bills of lading, shall be borne by the Owners of the goods.

The Owners of this Ship will not be accountable for Gold, Silver, Bullion, Specie, Jewellery, Precious Stones, Silk Goods, Quinine, or Precious Metals, or beyond the amount of One Hundred Pounds for any one package or relatively for any portion thereof, unless shipment be made upon a special shipping order, containing a declaration of the value, and the bills of lading are signed in accordance therewith.

In case of the blockade or interdict of the port of discharge, or if the entering of or discharging in the port shall on reasonable grounds be considered by the Master unsafe by reason of war, or disturbances, the Master may land

the goods at the nearest safe and convenient port, at the expense and risk of the Owners of the goods; and the Ship's responsibility shall cease when the goods are so discharged into proper and safe keeping, the Master giving immediate notice of the same to the consignees of the goods, so far as they can be ascertained.

The Master or Agent shall have a lien on the goods for freight and payments made, or liabilities incurred, in respect of any charges stipulated herein to be borne by the Owners of such goods.

In the event of claim for short delivery, price to be the market price of the day at port of discharge on the day of the Ship's reporting at the Custom House, less charges and brokerage.

IN WITNESS whereof the Master or Agent of the said Ship has signed Bills of Lading, exclusive of the Master's copy, all of this tenor and date, one of which being accomplished, the others to stand void.

Dated at——————————18 .

Proceedings of a Special Meeting of the Bengal Chamber of Commerce, held at noon, on Monday the 21st June 1880.

W. E. CRUM, Esq., *President*, in the chair.

The Chairman commenced the proceedings by saying,—

Gentlemen:—The notice which was sent to you of this meeting, along with the various papers with which you have been furnished, leaves me little to say in regard to the object of our attendance, further than to invite discussion as to what our action should be. We have had submitted to us an amended form of bill of lading drawn up under legal advice by a Special Committee appointed by merchants and shipowners in London, in consequence of the protest which you signed last year against proposed innovations. This Committee, as you are aware, consisted of the following gentlemen:—Mr. John Corry, Mr. S. A. Ralli, Mr. J. Blackwood, and Mr. Geo. Duncan, and we have now, I think, to consider what course we will adopt; whether to discuss the various clauses of this bill of lading, and express our views upon them; or to appoint a Committee of merchants in London to meet an equal number of shipowners, and give them either full or restricted powers to deal with the matter for us. I will be glad if any of the gentlemen present will express their views on the subject.

Mr. T. S. Anderson said,—Gentlemen:—You will remember that some months ago the London shipowners tried to introduce a new form of bill of lading for sailing vessels. At that time a few firms here met together to see to what extent our mutual interests were threatened, and we got an elaborate opinion from Messrs. Sanderson & Co. on the various new clauses. This was sent home by this Chamber, accompanied by a protest signed by most of the shippers of this city. We have now before us an amended document drawn up under the advice of Messrs. Freshfields, and from which we are told all objectionable clauses have been expunged. The clause in this new bill of lading to which the shipowners say they attach most importance is that in which they seek to relieve

themselves from liability for any act, neglect, or default whatsoever of pilots, master, or crew in the navigation of the ship in the ordinary course of the voyage. Now, gentlemen, you are probably aware that at a late trial (the "*Zurich*,"—*Bawer & Co., vs. Hutchinson*) it was decided that the clause, "all and every the dangers and accidents of the seas and of navigation of what nature or kind soever" did not free the owner from liability for neglect or default of master or crew. In the House of Lords it was further held, in the case of *Doolan vs. the Midland Railway Company*, that a contract which stipulated for non-liability against damage arising from the negligence of servants would be opposed to reason, and therefore not binding. Now, although this liability is nothing new to shipowners, as Mr. Corry tries to make out (I remember getting counsel's opinion on the point in 1867), and although the risk is as insurable by the shipowner as by the shipper (there used to be, and presumably still are, clubs for the purpose), yet I think we would all willingly cede this point, provided the House of Lords decision were altered by some new Act. But if this decision holds, any clause such as desired by shipowners is invalid, and I much fear would lead the way to endless litigation. What is there to prevent underwriters refusing to pay up, and referring you back to the shipowner, saying that the contract was illegal, and that no loss had been sustained by you for which you could claim, till you had exhausted your recourse on the ship? At present underwriters pay up and sue the shipowner in the shipper's name, but will they be as ready to do this when they have to start with a contract nullifying the shipper's claim,—illegal though such contract may be? Regarding the other clauses of the bill of lading, as I said before, we sent home a statement of objections drawn up by Messrs. Sanderson, and the only reply we have to these is that counsel has been consulted and the shipper's right have been carefully protected. Now, gentlemen, I think we are entitled to something more than this. I think that it would have been only fair for the shipowners to have sent us a copy of the counsel's opinion, and I therefore beg to move that the Secretary of the Chamber of Commerce be requested to write to Mr. Corry for a copy of Messrs. Freshfields' opinion, in order that members of the Chamber may clearly understand what liabilities are affected by the proposed new bill of lading; that the further consideration of the subject be postponed till that opinion be received; and that the old bill of lading be meantime retained as the adopted form of this port. With your permission I will read a paragraph from Messrs. Sanderson's opinion:—"The old form of bill of lading exempted the ship from liability 'respect only of distinctly insurable risks, the occurring of which 'was easy of proof, and for such matters as the guaranteeing 'of the nature of the weight and contents of closed packages. 'The new form of bill of lading, however, would practically 'exempt the ship from claims of any sort, for although it is not 'sought by the new exceptions and conditions to exempt the ship 'from liability arising from act of negligence of the master, crew, or 'pilot of ships (except where such negligence occurs in the manage-'ment and navigation of the ship), and therefore it would be open to 'a shipper under the new form of bill of lading, or his consignee, to 'claim and recover for damages where it could be proved that such 'damage had been caused by negligent stowage of goods or other

'similar neglect; yet it is obvious, from the nature of things, that 'the difficulty of proving negligence in the vast majority of cases 'would be an insurmountable obstacle to success in any proceeding 'under the bill of lading framed in accordance with the new form." At the London meeting Mr. Stephen Ralli is reported to have said that the basis of Mr. Matthew's opinion was "that the shipowner 'will not be relieved of his obligations, and that the bill of lading 'with regard to any matter will not affect the shipper's right to 'recover." In the absence of the actual opinion of Mr. Matthew I am of course open to correction, but it seems to me that it must have been that no clause a shipowner can insert in his bill of lading will hold good against common law, but it will shift the onus of proof from the shipowners' to the shippers' shoulders. Now this seems to me to be the point at issue, and one to which shippers must on no account agree. The shipper sees nothing of his goods, nor of the treatment to which they are subjected from the time they pass into the hands of the shipowner. It is therefore impossible in 99 cases out of 100 to prove neglect or default. On the other hand, the shipowner and his servants are the only people who touch the goods while under bailment to him, and he has every opportunity of proving the absence of neglect and default. The only inference, therefore, is that neglect and default do occur, and that the shipowner is resorting to the new bill of lading as a means of avoiding his legitimate liability, and I think that to all clauses which merely transfer the onus of proof without freeing the shipowner from liability shippers should give their most strenuous opposition. A great deal was said at the London meeting about the greater strictness of the clauses in the steamer bill of lading, but we all know that these are not enforced. The steamers coming here belong to regular lines, and it is for the owners' interests to keep on good terms with shippers; but sailing vessels come from all parts of the world, and a considerable proportion of them are not regular traders, so that the owners have no self-interest to make them reasonable in allowing claims which are not duly proved.

Mr. J. W. O'Keefe rose to propose an amended resolution, and said:—It does not appear to me that we should be taking a correct course by referring the several clauses of the bill of lading to a solicitor, and perhaps from him to counsel. I do not see that the matter is one which admits of any delay. We may have the objectionable bill of lading passed without demur. I think it would be a preferable course to appoint a Committee of Calcutta merchants, with full powers, who would meet an equal number of representatives of the shipping interest, and together discuss and settle each point separately. In regard to the bill of lading proposed to be adopted, I would remark that, generally speaking, I have found the old style of bill of lading to work satisfactorily, both for shipowners and shippers, and, that being so, innovation seems to me likely to be pernicious. I am opposed to the change. Taking the new clauses of the proposed bill of lading separately, my experience is that it is difficult to get a sircar to mark bales, bags, or cases with letters of uniform size at all times. I hold that loss caused by negligence, the act of a mariner, renders the shipowner liable, and he should not be allowed to be free from such liability. "Reasonable wear and tear" also it would be difficult to define, and the insertion of this clause would, I think, lead to litiga-

tion; the clause in regard to 'sweat, rust and decay' is, it seems to me, loose and one-sided: "rust" is already provided against by the clause we so frequently see in bills of lading "not accountable for leakage, breakage, or rust." Why insert this objectionable clause? It appears to me, gentlemen, that we are wasting time on a point where we have great unanimity, and that our best course, as I said before, is to refer the whole subject to Calcutta merchants of experience, of whom there are many resident in London. Holding these views I propose the following amended resolution:—*1st.* That the proposed bill of lading in all its clauses be referred to a Committee of six merchants in London representing the Calcutta trade, with full powers to act in the matter, and to settle the exact form of bill of lading for ships sailing between Calcutta and any port in the United Kingdom.

Mr. G. H. Morrison said:—I have much pleasure in seconding the resolution proposed by Mr. O'Keefe. It is always prejudicial to business to have an unsettled controversy, and Calcutta merchants may safely leave their interest in the hands of their representatives at home, especially since these representatives will have at command the best legal advice in the world. As regards the bill of lading submitted by the joint committee of merchants and shipowners, there may be clauses needing modification; but, upon the whole, the document does not strike me as particularly objectionable from a merchant's point of view. It appears to me that the bill of lading raises questions rather between the underwriter and the shipowner than between ship and shipper. Speaking generally, it occurs to me that the risks which the shipowner repudiates are accepted and taken off the merchant by the subscribers to an ordinary Lloyd's policy. This view is borne out by the statement made by Mr. S. Ralli and Mr. Park at the London meeting. They said that Messrs. Freshfields and Mr. Matthew, the Queen's Counsel, had given it as their opinion that the status of the merchant would in no wise be injured by the new bill of lading. "Wherever the marine policy does not protect him, the shipowner is to take him up." Of course it will be the duty of our representatives to satisfy themselves of this; but supposing matters are as represented there is little ground left for contention. No doubt, the clause in the bill of lading on which shipowners lay most stress is that exempting them from the consequences of negligence in navigation on the part of their servants; and Mr. Anderson has urged that the introduction of this clause would encourage litigation, because the shipowner cannot legally contract himself out of liability for acts of his servants, and the insurer would, therefore, refuse to pay claims and refer the merchant back to the owner. I leave the legal question to the lawyers: but I do not think that under-writers are likely to take up a position which would unsettle confidence in their policies; and certainly I should say that an Insurance Office would find the temptation to litigate stronger under the old bill of lading, which says nothing about the shipowner not being responsible for negligence, than under the proposed bill of lading, which gives notice alike to the merchant and to his insurer that, so far as the shipowner can, he will resist such claims. On its own merits, the shipowner's clause will not be thought unreasonable if you reflect that, when an owner has provided a good and

seaworthy vessel, has properly manned her, and has carefully chosen for her officers with Board of Trade certificates, he has done all that is possible for the protection of the property committed to him: and if, because some officer neglects the lead or dozes on watch, you are to make his owner responsible, not only for the value of the vessel, but also for her entire cargo, then I think that no prudent man will face risks so enormous, and so much beyond control, for the very narrow returns which even the best-managed ships have latterly yielded. Please observe that it is not the consequences of carelessness in loading or stowing or discharging from which the shipowner desires relief: these risks remain on him as they ever did. The clause runs:—"Neglect in the *navigation* of the ship in the ordinary course of the voyage." It is not worded identically with the similar clause in the bill of lading first sent out to us. Then there is the clause about the countermarks, and it is objected that they cannot always be conveniently made of the same size as the leading marks. Well, perhaps not; but at least the spirit of the request is reasonable. We may confess that the shipowners have made a concession in accepting responsibility for countermarks. No one can say that it would have been impossible for merchants to carry on their trade without getting the countermarks signed for. At some trouble and some expense every merchant might mark his Jute with his house marks so unmistakably as to obviate any need for the ship's officer to take cognizance of the countermarks. However, merchants have carried their point, and shipowners will, in future, take the trouble and expense off their shoulders. As a merchant, I cannot pretend to be sorry; and as an agent, I am glad to be relieved of a discussion which has recurred whenever we have had to draft a charter; but let us admit that the shipowners may fairly ask, in return, that the countermarks shall be large enough to be seen without spectacles! The remaining clauses are of less moment; there are some things which may seem unnecessary or questionable, but our friends at home can work them all out in committee, and I would once more appeal to you to give full powers to our representatives, and let us put out of our minds this vexed question of the bill of lading.

Mr. O'Keefe's amended resolution was put to the meeting and carried.

The Chairman informed the meeting that a letter had been received from the Madras Chamber, requesting to be represented at the conference with London shipowners, and nominating Mr. William Macfarlane, of Messrs. H. B. Muir & Co., to act in their behalf. The Committee of the Chamber had already placed Mr. Macfarlane's name on the list of proposed representatives, and this would be communicated to the Madras Chamber; but of course this meeting could not take the responsibility of committing the Madras Chamber to the resolution giving the gentlemen proposed full authority in the matter. This would however be put before their Madras friends, who would doubtless communicate their instructions to Mr. Macfarlane, who could easily represent the interests of both Chambers.

The Chairman then moved the following Resolution, which was seconded by *Mr. John Morrison*, and carried:—

2nd.—That the following gentlemen be invited by the Chamber

to arrange between themselves for six of their number to act on the Committee referred to in the first Resolution, namely :—

R. E. Bickerdike, Esq.,	of Messrs.	Morison, Bickerdike & Co.
W. Blackwood, Esq.,	„	Blackwood, Conor & Co.
J. N. Bullen, Esq.,	„	Kettlewell, Bullen & Co.
O. V. Ernsthausen, Esq.,	„	Ernsthausen & Oesterley.
F. W. Heilgers, Esq.,	„	F. W. Heilgers & Co.
W. Macfarlane, Esq.,	„	H. B. Muir & Co.
E. A. Mavrogordato, Esq.,	„	Tamvaco & Co.
P. J. Nicolas, Esq.,	„	Kelly & Co.
Stephen Ralli, Esq.,	„	Ralli Brothers.
H. Reinhold, Esq.,	„	Reinhold & Co.

The Chairman was of opinion that the members of the Chamber were under great obligations to Mr. Reinhold for the considerate service he had rendered by furnishing them with a special report of the proceedings of the meeting held in London, on the 21st April, prepared from notes taken by short-hand writers; and he moved a vote of thanks to Mr. Reinhold, which the meeting accordingly adopted.

A vote of thanks to the Chair closed the proceedings.

Bengal Chamber of Commerce, Calcutta, 24th June 1880.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—On the 16th instant, I had the pleasure to acknowledge the receipt of your letter of the 8th, and the following day I received your telegram in which you named Mr. William Macfarlane of Messrs. H. B. Muir & Co., as your representative at the Conference with shipowners on the Bill of Lading question.

Previous, however, to the receipt of your message Mr. Macfarlane's name had already been placed on the list which it was proposed to submit for election.

I have now the pleasure to hand you copy of two resolutions passed at the Special Meeting of the Chamber held on Monday the 21st instant, which will inform you that Mr. Macfarlane was nominated with nine other gentlemen, *leaving it to themselves* to arrange for any six of their number to act as a representative Committee. The meeting thought it would be as well to invite the larger number in order to anticipate the possibility of any of the six who may have been formally nominated not being able to take a part in the proceedings.

The meeting did not consider it expedient to issue any definite instructions to the London Committee, or to limit their authority in their negotiations with the shipowners, they therefore gave them full powers to act according to the best of their judgment, confident that the important interests committed to their charge will receive the fullest consideration that can be devoted to them.

I have, &c.,
H. W. I. Wood,
Secretary.

Bengal Chamber of Commerce, Calcutta, 28th June 1880.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—In continuation of my letter of the 24th instant, I am instructed to inform you that your request to be represented by Mr. Macfarlane, of Messrs. H. B. Muir & Co. at the Bill of Lading Conference has been communicated to that gentleman as well as to Mr. Corry, Chairman of the Shipowners' Association, and any representations that may be submitted on your behalf will, no doubt, receive the careful consideration of the Conference.

I am at the same time directed to say that, with all desire to associate your Chamber with the proceedings of the meeting held here last week, it did not appear to the meeting that they would be justified in committing you to the terms of the resolution which gave unlimited powers to their representatives in negotiating with the London shipowners, and they were of opinion that it would be better that Mr. Macfarlane should be unfettered in that respect as far as your interests were concerned.

I have, &c.,
H. W. I. Wood,
Secretary.

Chamber of Commerce, Madras, 8th July 1880.

To W. Macfarlane, Esq.,
Messrs. H. B. Muir & Co., London.

Sir,—You will already have been informed by the Bengal Chamber of Commerce that this Chamber have expressed a desire to be represented by yourself at the approaching Con-

ference between representatives of Indian Merchants and the representatives of London Shipowners, and you will also have been told that you have been invited by the Bengal Chamber to act on the Committee of six merchants in London representing in particular the Calcutta trade. I am now desired to express on behalf of this Chamber their hope that it may be convenient to you to do the merchants of Madras the service of representing their views at the Conference. The Bengal Chamber have, I learn, given full power to the gentlemen they have nominated to settle the exact form of Bill of Lading for ships sailing between Calcutta and the United Kingdom, and this Chamber feel that they may safely repose a similar confidence in yourself.

I may mention briefly that this Chamber deprecate the insertion in Bills of Lading of any clause which would tend to impose risks on shippers which have hitherto been borne by shipowners, and that they beg you to oppose on their behalf the introduction into the proposed Bill of Lading of any clause that would be likely to have this effect; especially would they object to any such alteration in the Bill of Lading if it in any way tended to lessen the security given by an ordinary policy of Insurance. While prepared to coincide with any modifications in the Bill of Lading which may be agreed to by the representatives of Calcutta, this Chamber would prefer to see the retention of the present Bill of Lading.

I have, &c.,

R. C. WALKER,

Vice-Chairman.

26, *Old Broad Street, E. C., London, 6th August* 1880.

TO THE VICE-CHAIRMAN CHAMBER OF COMMERCE,

Madras.

DEAR SIR,—By last Mail I received your favor of 8th ultimo, intimating that your Chamber of Commerce had done me the honor of asking me to represent them on the homeward Calcutta Bill of Lading Committee here, and with power to arrange a homeward bill of lading for the Madras trade. I am very willing to do the best I can for the interests of your Chamber in this matter.

I had had previous intimation of this wish of your Chamber from Mr. Henry Bill of your city, and had consequently been

considering your position in the matter. The conclusion I have come to is, that it is better for you not to be represented at all on this Committee. To make clear the considerations which brought me to this conclusion, I cannot do better than send you the enclosed copy of a letter I wrote Mr. Bill on the subject. The letter also explains why it was written without waiting for your official communication now to hand.

When your Chamber have considered the view put forward in this enclosure, I will be glad to learn their decision, either by wire or mail as may seem to you best. It will of course be understood, that I am quite ready to represent your Chamber if they so desire, notwithstanding the opinion put forward in this letter to Mr. Bill.

With the views you express as to the principles which should govern the changes, if any, which should be made in the present sailing ship Bill of Lading, I entirely agree. I very much fear, however, we will not be able to get the shipowners to make an arrangement for Calcutta, which will, in all respects, agree with these principles. I am, &c.,

W. McFARLANE.

London, 29th July 1880.

HENRY BILL, ESQ.,
Madras.

MY DEAR MR. BILL,—I was off on holiday in Scotland when your note of 17th ultimo came to hand. It asks me to represent your Chamber of Commerce on the Committee to be appointed here, to arrange with the shipowners a sailing ship Bill of Lading for the Calcutta trade. I need hardly say I would be very pleased to represent the Madras Chamber on this or any other question in which I could be of service to them.

No official request from your Chamber to act in this matter, has yet reached me, but I have a communication from the Calcutta Chamber, saying that your Chamber has asked to be represented by me at the Conference, and that the Calcutta Chamber had communicated this request to Mr. Corry, the Chairman of the shipowners Committee. So far I have had no communication with Mr. Corry on the subject. It therefore remains to be seen whether the shipowners will admit Madras to a say in the joint committee of shipowners and merchants.

You are doubtless aware that the Calcutta Chamber had named ten gentlemen here, to choose from themselves a committee of six who were empowered to settle a Bill of Lading with the shipowners.

A meeting of these ten was called for yesterday, and the following six were chosen the Committee, viz. Bullen of Kettlewell Bullen & Co., F. W. Heilgers, Mavrogordato of Tamvaco & Co., Nicolas of Kelly & Co., H. Reinhold, and myself. Before this Committee was chosen, I thought it well to state to the meeting, that although I had notice from the Calcutta Chamber of the wish of your Chamber, and private advice from Madras to the same effect, yet not having received any official request of the Madras Chamber to represent them, I could not at present act in any way on behalf of the Madras trade. You will see from what follows, why I was anxious to make this clear to the meeting, and why when my name was proposed on the Committee of six, I did not think it necessary to decline to represent Calcutta, in order to be free to represent your Chamber only. The idea of this Merchants Committee is, that if your Chamber wants me to act I can act in a double capacity, representing both Madras and Calcutta. If it so happen that your Chamber see any advantage in having a representative all to itself, I fancy I could resign my representation of Calcutta, and ask to be admitted to represent you only.

In considering this Bill of Lading question in the interests of your Chamber, the conclusion I come to is, that so far from seeking to be represented on this London Committee as it now stands, you should rather seek to avoid being represented in any way by it, and for the following reasons—

The shipowners are not at all likely to admit more than six merchants to meet their six shipowners on the final joint committee, however many trades the merchants may be representing. Further, the six men who were certain to be chosen by the merchants this time, were certain to be men who would fight as strongly in the shippers' interest, as any six men could possibly fight whether they happened to represent Calcutta alone, or were representing both Madras and Calcutta. Therefore it appears to me, you will not better the decision of this joint committee by being represented on it. It may be said that a committee representing both Madras and Calcutta, will have more weight in opposing the shipowners' demands than a committee representing Calcutta alone, but if you begin to consider how the extra weight is to tell practically, you discover that it cannot tell at all. This Bill of Lading will be fought out in committee bit by bit, and in the fight, neither shipowner nor merchant will be influenced one iota by whether the merchants' side represents two great trades, or only one. Each side will just be bent on doing the very best it can itself.

Since, then, you are not likely to benefit the ultimate decision by being on the Committee, the question comes, do you lose anything by being out of it? It seems to me you could only lose by being out of it, if the shipowners were afterwards to attempt to impose on the Madras trade a worse bill of lading than the one this joint committee will now decide on for Calcutta. I think you will say, that is an attempt not at all likely to be made. If the attempt should be made, the precedent of the then adopted Calcutta bill of lading, would I think be fatal to it.

But can Madras gain anything by standing aside from this committee? It seems to me circumstances might quite possibly arise in

which she might gain. The very fact of the Calcutta Chamber having delegated this matter to a committee in London, shews that the settlement must necessarily be a compromise. We shippers all want to retain the old bill of lading without alteration, but if the only answer to the shipowners was to be, that the shippers will have the old bill of lading form and nothing else, then that answer should have come direct from the Calcutta Chamber to the shipowners, for that answer means war, and in event of war, Calcutta and not London will have to do the fighting. What the ultimate compromise arrived at here will be, no one can yet foresee, but it may well be such an one as will not be entirely satisfactory to Madras. The gain to her then of not being represented on this committee will be, that in the event of an unsatisfactory settlement, she is free to try for a better settlement on her own account, and with the pretty sure ground under her, that in the worst event she cannot well be worse off than what Calcutta may now accept.

Holding the view then that Madras will probably gain nothing by being represented on this committee, and that she may gain by standing aside from it, I feel bound to recommend your Chamber to stand aside from it altogether. Further, if I had, before I have your reply to this letter, to answer the shipowners finally as to whether I did or did not represent your Chamber, I would be inclined, in your own interest, to decline to represent you.

There will however probably be time for you to answer this letter by wire, before I have to define my position finally. Would you therefore, if you agree with these views kindly bring them before your Chamber, and wire me your own, or, if you bring it before the Chamber, their decision, by one of the annexed ciphers, in a firm's telegram. I am of course presuming that an official request to act is on the way home from your Chamber. Had it been already to hand I would of course have addressed this letter to the Chamber.

Faithfully, Yours,

WILLIAM MACFARLANE.

Ciphers.

01050 Represent Madras at the same time you are representing Calcutta on the Bill of Lading Committee.

01051 Would like you to represent Madras only on the Bill of Lading Committee.

01052 Madras thinks it best to stand aside from the Bill of Lading Committee.

Chamber of Commerce, Madras, 31st August 1880.

To H. BILL, ESQ.,

Messrs. Wilson & Co., Madras.

SIR,—I am directed by the Chamber to invite you to be so good as to telegraph on their behalf to Mr. Macfarlane London

the number 01052 which is the cypher proposed in that gentleman's letter to you of the 29th ultimo, meaning "Madras thinks it best to stand aside from the Bill of Lading Committee."

I have, &c.,

C. A. LAWSON,
Secretary.

Chamber of Commerce, Madras, 2nd September 1880.

To W. MACFARLANE, ESQ.,
London.

SIR,—I have the pleasure to inform you that I am desired by the Chamber of Commerce to convey to you an expression of their acknowledgements of the interest that you have taken in the Indian Bills of Lading question, and especially of your readiness to afford the Chamber the advantage of being represented by yourself at the London Conference. The Chamber have read your letter of the 6th ultimo to the Vice-Chairman, as well as that of the 29th July to Mr. Bill, with much interest, and they quite concur with you in considering that it would be best for this Chamber to stand aside for the present. Mr. Bill has accordingly, at the request of the Chamber, been so good as to telegraph to you the cypher which you proposed having this signification. I have, &c.

P. MACFADYEN,
Chairman.

F.

PENALTIES FOR OVERLANDING GOODS.

Chamber of Commerce, Madras, 10th May 1880.

To THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—It has been brought to the notice of the Chamber by the Madras Agents of the British India Steam Navigation Company, that the *Chyebassa* arrived at Madras from London on the 21st November last, and landed a case here that was intended for Colombo. This case is stated to have been delivered by

an error of the Customs Department to the Peninsular and Oriental Company, and shipped to Galle, as one of the P. & O. Steamer's packages, but was eventually delivered to the B. I. S. N. Company's Agents at Colombo. The Chamber also learn that on the 12th ultimo, you ruled that the local Agents of the B. I. S. N. Co., having landed a package not entered in the Manifest of the *Chyebassa* were liable, under Section 55 of the Customs Act, to a fine of Rs. 1,000, and that you exacted a penalty of Rs. 200.

In obedience to the request of the Chamber, I have the honor to bring to your notice, that it is a source of regret to the mercantile community that you feel it your duty to interpret the Custom House Act in a more rigid spirit than has been the wont of your predecessors in office. The Chamber have no sympathy with culpable violation of the spirit, or letter of the regulations that have been laid down by the Government for the protection of the public revenue, and the general benefit of commerce; and they do not presume to question your anxiety to serve both the Government and that section of the community with which your present duties bring you almost exclusively into contact. But, on behalf of the firms represented in their body, as well as on behalf of those traders who are not so represented, the Chamber venture to ask you to bear in mind that the powers with which you are vested for punishing irregularity should be so exercised, as not to cause irritation to persons whose good faith you cannot question, and whose infringement of some rule has been purely accidental. The mercantile community have not been accustomed to be treated with harshness by the Collector of Sea Customs, and they have not been hitherto disappointed in their expectation of receiving at his hands reasonable consideration. They have no wish to challenge your authority, or to neglect your orders, but they owe it to themselves to deprecate the infliction of heavy pecuniary penalties for venial inadvertencies that are unavoidable in the transaction of a large business.

I have, &c.,

P. MACFADYEN,

Chairman.

Sea Customs Collector's Office, Madras, 10th May 1880.

To THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter of the 10th instant, I have the honor to draw your attention to the fact, that the matter in question has been appealed to the Board of Revenue by the Madras Agents of the British India Steam Navigation Company, and to state that although I am unable to admit the correctness of the information on which you found your remarks, no good purpose would be served at this stage by discussing the facts of the case alluded to.

2. I shall be happy to forward the papers to the Chamber for perusal, after the Board has disposed of the matter, and in the meantime deprecate the slightest intention of working the Custom Act with undue stringency. I have, &c.,

C. S. CROLE,
Ag. Collector of Sea Customs.

Proceedings of the Board of Revenue, 20th May 1880.

Read again Board's Proceedings, dated 1st May 1880, No. 4,709.

Read also the following letter from C. S. CROLE, Esq., Acting Collector of Sea Customs, Madras, to the Secretary to the Board of Revenue, dated 11th May 1880, No. 972 :—

I have the honor, as directed in Board's Proceedings,* to submit "all the circumstances" connected with an appeal against a fine of Rs. 200 lodged by Messrs. Binny and Co., as Agents for the British India Steam Navigation Company, Limited.

2. The matter first came under my notice, on receipt of a demand from Messrs. Binny and Co., for payment by Government of Rs. 50 by way of damages owing to a certain case landed from one of their vessels, the *Chyebassa,* having been by mistake applied for and delivered to the P. and O. Company. Messrs. Binny and Co. have not alluded to this circumstance in their appeal to the Board.

3. On going into the subject I discovered that the British India Steam Navigation Company and its Agents had, by their

* Dated 1st May 1880, Mis. No. 4,709.

neglect of the plain provisions of the Customs Act, themselves committed a cardinal error, which vitiated their claim, and, after calling on them for an explanation, I formally rejected it.

4. The following facts came out in the inquiry. On the 21st November 1879, the S. S. *Chyebassa* appears to have landed a certain case. It was not entered in the manifest put in by the Commander, and the entry in one of his Boat Notes, which is supposed to refer to it, is, and always must have been, illegible. The Custom-House had therefore no notice that such a package was landed. Sections 54 and 55 explicitly lay down that within twenty-four hours of arrival, the Master of every vessel must put in a manifest showing among other things "*all* goods intended to be landed," and provision is also made for correcting and supplementing. The penalty is a fine not exceeding Rs. 1,000.

5. On the 28th November 1879, the P. and O. Agent applied for and obtained permission from the late Collector to reship certain goods according to a list he put in. In this list the marks of the above case were entered through some error; the case in question was handed over to him, and eventually was, between the 4th and 13th March, delivered to the consignee a Colombo by the P. and O. Company.

6. On the 24th January, or more than two months after they had originally landed it at Madras, Messrs. Binny and C for the first time, in any shape or form, addressed the Collect asking leave to reship the case in question. As a result of th inquiries then instituted the mistake was discovered. Messrs. Binny and Co. were so informed on the 17th February, although from one of their letters it is evident that they had obtained a clue on the 31st January.

7. Now it is quite clear that a mistake was made by the Customs Officials in not detecting the error committed by the P. and O. Company, but it is equally palpable that it would not have occurred had the Commander of the *Chyebassa* obeyed the plain provisions of the law. Messrs. Binny and Co. did not take that view, and as they did not withdraw the claim they had made, although ample opportunity was given them to do so, I decided that this was a case in which a penalty should be inflicted. It was doubtless true, as stated by them, that Section 55

had never been obeyed by them, but it seemed out of the question that they should be allowed to avail themselves for their own convenience of lax administration of the law, and then turn round and attempt to saddle Government with responsibility for the consequence of their disobedience of it.

8. I now turn to some other circumstances which I deem it my duty to bring to the Board's notice—

(*a.*) In their appeal to the Board, Messrs. Binny and Co. say: "We have the honor to submit that when we give notice to the Collector of Customs of the landing here package (*sic*) of cargo for other ports and account for their reshipment we do all that is necessary for the production of duty." This is undoubtedly what should be done, what Section 55 lays down must be done, but what Messrs. Binny and Co. wholly neglected to do in the present instance.

(*b.*) They then go on to say: "It would at all times be a matter of impossibility to include these wrongly-landed packages in the original manifest sent us here from the steamer as no ship's officer would knowingly land at Madras cargo for other ports, and as we stated in one of our letters to the Collector of Customs the fact of a package being landed by error should sufficiently account for its not appearing in the manifest." Now here, Messrs. Binny and Co. are dealing with a set of facts which never occurred. The truth is that the package in question was not landed by error at all, but by design. It was consigned to Colombo, the master neglected to land it there, and, in pursuance of the invariable custom, landed it at the first port-of-call intentionally, and for the express purpose of having it sent back by the next steamer. There being no landing by error then, it follows that the impossibility of entering it in the manifest is purely imaginary.

(*c.*) Messrs. Binny and Co. make a still more serious misstatement further on when they say that they "could scarcely have entered the package in the supplemental manifest for the reason that we were unable to trace it in the Custom House owing to the mistake made in the Custom House." I have shown above that this statement is totally incorrect. Seeing that for more than two months Messrs. Binny and Co. do not

appear to have had the slightest knowledge of the existence of the case in question, that even at the end of that time they put in a letter in the usual form as if they thought it to be still in the Custom House that the law requires all manifests to be in twenty-fours after arrival and that all supplements or corrections must be made before the cargo account is closed in this office, that is to say, within seven days after the departure of the vessel, I am utterly at a loss to understand how they imagined that their case could be benefited by a misstatement so easily exposed.

9. With reference to Messrs. Binny and Co.'s last paragraph to the effect that fines were not intended by the law where "the whole matter hinges on unavoidable simple error of officers on board the steamer and which result (*sic*) in no loss of revenue to Government," there is not the least ground for assuming either of these positions as proved. The Board will probably have agreed with me that the unavoidable-simple-error theory cannot hold good in the case of a Master who deliberately defies the Customs law at Madras in order to repair a mistake which he has committed at another port, and who leaves the Agents of the steamer to discover two months afterwards the irregular action he has taken. I may here observe that there is a small but clearly defined class of Masters whose levity in treating Customs regulations it is possible to keep within bounds, only by the infliction of penalties which bring their eccentricities forcibly before their employers. The slightest hesitation in dealing severely with such cases is not interpreted as clemency but as weakness.

10. As to the alleged absence of danger to the public revenue, I can conceive nothing more likely to imperil it than the irregularity under notice. When goods can be landed, as they very frequently have been, under the circumstances above detailed, who can assert that the palpable opportunity for fraud thus presented is not seized on by understrappers on shore in collusion with those concerned elsewhere? Take, for example, the common case of opium smuggling. There was ample opportunity to export this in the present instance, and the complicity of a few menial servants in the Custom House yard was all that was required to achieve immunity. I may mention in this connection

that up to the present moment we have received no information whatever either as to the real or the alleged contents of the package.

11. Again, as to the question of loss of money, apart from revenue, the claim, alluded to in paragraph 2, made against Government by Messrs. Binny and Co. for damages arising out of the original breach of the law committed by the Master of the *Chyebassa*, demonstrates clearly that this species of loss also was a contingency far from remote.

12. Under these circumstances, and looking at the line of defence adopted, I much regret being unable, in the interests of the Customs Department, to recommend the Board, as I should otherwise gladly have done, to remit the penalty which has been imposed.

13. I must apologize to the Board for the length of this report on a comparatively unimportant matter, but I have deemed it proper literally to obey the Board's order, and detail all the circumstances, as I find from a letter received from the Chamber of Commerce to-day that my action in this matter has been represented as indicative of a desire to strain the law on the side of severity, and as the circumstances out of which this matter arose drew my attention to one of the many matters in which this Custom House had not conformed its procedure to the new Act.

14. I may mention that several cases of overlanding under similar circumstances to the case above reported have occurred during the past month, but no difficulty has been experienced since attention was drawn to the necessity of complying with the proper legal procedure, which it is as little competent to the Collector of Customs as to the Mercantile community to disregard.

15. I beg to submit the record of the case, as also a copy of the communication from the Chamber of Commerce, and my reply thereto.

THERE is no dispute about the facts of the case which clearly appear from Messrs. Binny and Co.'s and the Collector's letters; it seems that on the 21st November last the British India Steam Navigation Company's steamer *Chyebassa* arrived

at this port, and landed as a portion of her cargo a package intended for Colombo but overcarried by mistake; it was not entered in the manifest as it should have been under the provisions of Section 55 of the Customs Act. By an error in the Customs Office the case was delivered to the Agent of the P. and O. Company, reshipped to Galle, and eventually delivered to the consignee at Colombo. Some time afterwards Messrs. Binny and Co. began to make inquiries about the missing case; the mistake was discovered, and a claim against Government put in by Messrs. Binny and Co. for payment of Rs. 50 as damages. Mr. Crole thereupon turned the tables upon Messrs. Binny and Co. by fining them Rs. 200 for the infringement of the law in not having entered the case in question in the manifest.

2. Messrs. Binny and Co. urge that it has not hitherto been the practice of the Customs House to require the entry of such packages in the manifest, it being usual to permit reshipment of overcarried goods on application to the Collector of Sea Customs by letter; they also contend that Section 55 does not apply to goods not destined for the port but overcarried by mistake, and landed solely with a view to reshipment. They urge that they had no notice of any change of practice, and that as there was clearly no intention of defrauding the revenue in the present case, the Collector was not justified in inflicting so heavy a penalty. The Board do not concur in the view taken of the scope of Section 55, which clearly requires entry in the manifest of all cargo landed intentionally, as was the package in question.

3. Mr. Crole points out what he considers to be misstatements in Messrs. Binny and Co.'s version of the case, but does not controvert their assertion that it was not the practice of the Customs House to enter overcarried goods in the manifest, and that no notice was given of the intention to make any change in that respect; this sufficiently accounts for the non-entry by the officers of the ship, and there is no reason to suppose that the omission was a deliberate defiance of the Customs Law. As to the danger to the public revenue, Mr. Crole was no doubt quite right to change the practice which was such as to afford opportunities for fraud, but he does not

assert that he had any reason to suspect an attempt to defraud the revenue in the case under notice, and in the absence of such intention the fine imposed was a heavy penalty merely for neglect to conform to a provision of the Customs Law which had been systematically neglected by the Customs authorities themselves. From paragraphs 7 and 12 it would appear that Mr Crole was influenced in passing his decision, and supporting it, by the fact that Messrs. Binny and Co. advanced a claim for damages which they refused to withdraw, and adopted a line of defence which does not commend itself to him, but the Board see nothing in such circumstances which would warrant severity, and resolve to remit the fine.

4. The Board are quite ready to support the Collector of Sea Customs in his endeavours to secure obedience to the Customs Law and Regulations, but due notice should be given to the Mercantile community of any change of the established practice of the Custom House, and the penal provisions of the Act should be applied with discretion.

5. With reference to the action taken by the Chamber of Commerce, the Board consider that if they had any complaint to make of the administration of the Customs Law they should have addressed the appellate authority.

C. A. GALTON,
Secretary.

F. *a*.

DELIVERY OF IMPORT MANIFESTS.

Chamber of Commerce, Madras, 21st July 1880.

TO THE SECRETARY TO THE BOARD OF REVENUE,
Madras.

SIR,—In their letter of the 10th May the Chamber had the honor of informing the Collector of Sea Customs of the existence of much irritation among the mercantile community in consequence of his severe interpretation of the Customs Act. This irritation has increased rather than diminished since the date of that representation. The officer who is now filling the position of Acting Collector at the Custom House seems animated by a profound suspicion of the common honesty of the merchants of this port, and by the apprehension that unless he brings the penal clauses of the

Act into force, he will not succeed either in protecting the public revenue against loss, or the public law against violation.

The Chamber beg that the Board will not concur with the Collector in doing the mercantile community the injustice of supposing that they have any sympathy with wilful or careless violations of law. They recognise in the Collector of Sea Customs the functionary whose special duty it is to check abuses at the Custom House, and they credit Mr. Crole with a desire to remove the reproach that the appointment which he holds is almost a sinecure. But the Chamber cannot disguise from themselves that the Collector misunderstands his official *raison d'être*, which is primarily to collect Government dues; and that he fails to perceive that rules and regulations in the Customs Act which may be perfectly applicable, and suitable, at terminal ports like Calcutta or Bombay, may and should be liberally interpreted, and slightly relaxed, at an intermediate port like Madras. The Chamber observe with pleasure that the special consideration that is due to the peculiar circumstances of this port are not ignored by the Board, for in the Board's order of the 11th June, No. 804, contained in the Proceedings of that date upon the Collector's reference of the 25th May, the Board remark:—"As regards the question raised in paragraph 8, the Board do not think it is necessary to alter the existing practice: to enforce a strict compliance with Section 5 at an intermediate port like Madras would entail great inconvenience, and does not appear to be necessary for the security of the revenue." The Board could not, had it been their intention to do so, have better expressed the opinion of the Chamber about the irritating innovations in procedure which are advocated by the new Collector. He seems, the Chamber regret to have to say, indifferent to the important fact that this is an intermediate port; he does not sufficiently heed the great inconvenience to the mercantile public that would be entailed were his rigid interpretations of the law sanctioned by the Board; and he fails to recognise that should he succeed in exacting implicit compliance with his demands, the security of the revenue would not be visibly increased.

The Chamber have now before them the Circular of the Collector of Sea Customs, under date the 25th ultimo, to the

effect that from the 1st September next he will "strictly enforce" the following rules in regard to the delivery of import manifests by masters of vessels arriving at Madras from foreign ports:—

1st. The manifest shall be delivered within twenty-four hours after the vessel anchors within the limits of the port.

2nd. No goods shall be allowed to leave any vessel unless they are entered in the original manifest, or in an amended or supplementary manifest which can be put in on payment of a fee of Rs. 5. No fee will be charged for the correction of palpable errors in the original manifest. Failure to comply with this rule will render the Master liable to a penalty under Section 167, Clause 33 of Act VIII of 1878.

The Chamber have desired me to point out that almost every steamer from London lands here unwittingly one or more packages of cargo not manifested, and it would be practically impossible when dealing with large mixed cargoes at the port of Madras to obviate this. The above rules are, therefore, harsh, and the necessity for their introduction has yet to be proved. Allowance has hitherto been made for the simple and unvoidable errors of steamers' officers, and it has not occurred to previous Collectors to inflict heavy penalties in the event of petty inadvertencies which a wide knowledge of the incidental disadvantages of landing goods in an open roadstead at an intermediate port would show to be pardonable. But the present Collector does not share the opinion that the exceptional circumstances of this port may justify exceptional consideration. He labours under the delusion expressed in his letter to the Board of the 25th May, that "overlanded packages. . . . are sent on shore unmanifested, either owing to fraud, or gross carelessness, or in order to repair mistakes committed in not landing them at a previous port of call, for the purpose of being carried back again." These gratuitous assumptions which have special reference to the servants of a Steam Ship Navigation Company, whose good faith has not been impeached elsewhere, only serve to show that the Collector is, for want of suitable training, unable at present to see beyond the letter of the Customs Act. He appears to regard concessions that are obviously demanded by the peculiar conditions of the port as so severe "a straining" of the letter of the law, that it is his

duty to make a stand against the committal of any more "offences."

The Chamber have consequently instructed me to beg the Board to cancel the oppressive regulations which the Collector proposes to enforce from the 1st September next. I am at the same time to express the hope of the Chamber that the Board will take this opportunity to impress upon the Acting Collector that the interests of the Government are not likely to be served by strained relations with that section of the community with which almost exclusively he is brought into contact, and for whose service in particular he is unquestionably employed.

I have, &c.,

P. MACFADYEN,
Chairman.

Proceedings of the Board of Revenue, 30th July 1880.

Read letter from the Chairman of the Chamber of Commerce, dated 21st July.

The Collector of Sea Customs in issuing the Circular complained of was merely carrying out the instructions of the Board in their Proceedings dated 11th June 1880, No. 804, a copy of which will now be furnished to the Chamber of Commerce. Mr. Crole is therefore not responsible for the action taken in this particular instance, and as regards the general complaint of the want of consideration displayed by him in his dealings with the mercantile community, the Board, whilst regretting the existence of the irritation stated to have been caused by his attitude towards them, see nothing in his procedure as brought to their notice which calls for their interference or censure.

2. The Board are anxious to afford all reasonable facilities for trade, but the express requirements of the law cannot be set aside to suit private convenience. Under Section 54 of the Customs' Act the manifest must be delivered within twenty-four hours after a vessel has anchored within the limits of the Port, and under Section 82 no goods can be allowed to leave any vessel unless they are entered in the original manifest, or in an amended or supplementary manifest received under

Sec. 55. A supplementary manifest can be put in on payment of a fee of Rs. 5, and it is apparently the desire of those engaged in the shipping trade that there should be no limit of time within which such supplementary manifests should be admissible. Such an arrangement would afford obvious opportunities for fraud, and the Board are not prepared to relax the Rules to that extent, but are ready to consider any proposals which the Chamber of Commerce may desire to bring forward.

C. A. GALTON,
Secretary.

Chamber of Commerce, Madras, 28th August 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT OF MADRAS,
Ootacamund.

SIR,—The Chamber regret to be under the necessity of submitting for the consideration of Government, the enclosed copy of correspondence that has passed between the Chamber and the Board of Revenue upon the subject of the irritation that has been caused to the mercantile community by the severe interpretation of the Customs Act by the Acting Collector of Sea Customs. The Chamber desire to reiterate the assertion which they made in their letter to the Board, that they have no sympathy with wilful or careless violations of the Act. At the same time they contend that it cannot be opposed to the wishes of the Government for the Collector to take into reasonable consideration the peculiar circumstances of the port. They are also of opinion that nothing can be gained by a harshness in imposing fines which seems to be foreign to the spirit of the law.

The correspondence refers to a Circular in which the Collector notifies that, from the 1st proximo, certain rules will have to be strictly observed by Masters of vessels arriving in Madras from foreign ports. It is declared that manifests must be delivered within twenty-four hours after the vessel anchors; that no goods will be allowed to leave the vessel unless they are entered in the original, or in an amended manifest, which can be put in on payment of a fee of Rs. 5; and that failure to

comply with this rule, will render the Master liable to a penalty. The Chamber have pointed out to the Board, that in dealing with large mixed cargoes at an intermediate port, it is practically impossible to prevent the occasional discharge of packages not manifested, and that it is unnecessary to inflict heavy penalties for an irregularity which is unintentional and excusable. The Board have taken upon themselves the responsibility of the Collector's action, but the Chamber beg to be permitted to remark that the Board have been led by the statements of the Collector to somewhat magnify the gravity of the irregularity which they wish to prevent. The Collector informed the Board that overlanded packages are sent on shore unmanifested, either owing to fraud, or gross carelessness, or in order to repair mistakes. The Chamber regret that the Board have not thought it necessary to deprecate the employment of offensive epithets by the Collector which are based on an assumption that the Chamber have good reason to believe is contrary to fact. If there were any fraud, or gross negligence in the matter, under reference, the Chamber would necessarily decline to entertain for a moment the idea of seeking such a relaxation of the law as would play into the hands of those who wilfully violate the law. But the Chamber are satisfied that there is no occasion for the present Collector to refuse the Masters of vessels that reasonable consideration which was shewn to them by his predecessors in office, and that it is undesirable to characterise as a crime what is no more than an inadvertence which is excused at intermediate ports elsewhere. The Chamber therefore indulge the hope that His Grace the Governor in Council will be pleased to direct the postponement of the operation of the rules above referred to, until they have had the consideration and approval of the Government.

I am further desired to say that it has been brought to the notice of the Chamber that in Rangoon, where the claims upon the officer holding the appointment of Collector of Sea Customs are far more onerous than they are in Madras, the salary is about a half of the sum that is drawn by the Madras Collector, and that the appointment is held by an Uncovenanted specialist from England. The Chamber would respectfully

express the conviction which they have long entertained, and which has been strengthened by the recent proceedings of the Acting Collector of Sea Customs that, apart from the important retrenchment that might be made in expenditure, the introduction of a change in the administration of the local Custom House, similar to what has proved a success in Rangoon, would confer upon this Port the advantage, of which to a great extent it has been hitherto denied, of having its Customs affairs controlled by an officer who has a broad acquaintance with the working of Customs Acts elsewhere, who is familiar with the usages of trade in larger centres than Madras, and who will always remember, that though he is the guardian of the public purse, and the executant of the orders of Government, the duty is incumbent upon him of anticipating and meeting the reasonable requirements of commerce. The Chamber have every reason to believe that the Government would experience no difficulty in enlisting for the Collectorate a gentleman in London who has been thoroughly trained in Custom House work, for a salary not exceeding Rs. 1,200 a month, with a fair pension after a certain number of years. At the London Custom House such important functionaries as the Inspectors-General and the Controllers of Goods and Accounts, receive but £650 a year, after a long tenure of inferior appointments. It seems to the Chamber that it could not but be a frequent advantage to the Government to have the opportunity of consulting as to Customs affairs, an officer who is entitled to speak with authority, instead of a gentleman, whose mind, though he may be an excellent revenue or judicial officer, may as to commercial affairs be a blank, and whose sympathies with and interest in trade may be undeveloped. The approach of the Harbour to completion is a reason why the Chamber hope that Government may determine to engage for the appointment of Collector of Sea Customs, when it next becomes vacant, the services of a gentleman who has made Customs and port affairs his profession, rather than a temporary and casual study.

I have, &c.,

P. MACFADYEN,

Chairman.

OFFICIAL MEMORANDUM.

Referring to letter from the Chairman Chamber of Commerce, dated 28th August last, the undersigned is directed to call attention to the proceedings of the Board of Revenue, dated 11th June 1880, No. 804, from which it would appear that it was intended to allow 7 days *law* after sailing of vessel for putting in the supplemental manifest, and to ask why this does not meet the objections of the Chamber.

C. G. MASTER,
Secretary to Government.

Ootacamund, 20th September 1880.

Proceedings of the Board of Revenue, 11th June 1880.

Read the following letter from C. S. CROLE, Esq., Acting Collector of Sea Customs, Madras, Secretary to the Board of Revenue, dated 25th May 1880, No. 1,082 :—

I have the honor to acknowledge Proceedings of the Board, dated 20th May 1880, No. 686.

2. Messrs. Binny & Co. request the Board to order that corrections be allowed to be made in original manifests, and that additions be made to supplemental or amended manifests without regard to time, and on payment of one fee of Rs. 5.

3. If the Board will kindly refer to my letter to the firm in question, dated 26th April 1880, they will see that I have expressly limited the payment to *one* fee of Rs. 5 for a supplemental manifest, however many the entries, provided that it is finally closed within seven days after the steamer's departure. No fee whatever is charged for the correction of palpable errors in original manifests. It was formerly the practice to charge a fee of one rupee for corrections both in import and export manifests. The levy of a fee for the first was stopped for want of authority, and I ordered the discontinuance of the practice in the second, because it was palpably illegal. So this portion of the subject may be dismissed from consideration.

4. The whole question, therefore, limits itself to this :— Is it legally competent to the Collector to rule that a supplemental manifest for overlanded packages may be put in at any time which may suit parties ?

5. I very much doubt it, and it was this which caused me to state to Messrs. Binny and Co. that, in making the concession which I did, the law had been sufficiently strained already, a remark which the Board express their inability to comprehend. The Board will find the law on the point contained in Sections 55, 82, and 167 (No. 33) of Act VIII of 1878, and I leave it to the Board to say, after careful perusal of these portions of the Act, whether my order did, or did not, proceed upon a construction of the Act very favorable to the convenience of Ship's Agents.

6. The only difficulty is with overlanded packages. These are sent on shore unmanifested, either owing to fraud, or gross carelessness, or in order to repair mistakes committed in not landing them at a previous port of call, for the purpose of being carried back again. Now no supplemental manifest, put in very likely after the fact has been discovered in the Custom House, can legally cure the offence against Section 82 thereby committed. The law has made it a *malum prohibatum*, if goods leave a ship without a manifest, and liability to a fine not exceeding Rs. 1,000 has been incurred. What Messrs. Binny and Co. ask the Board to do is in plain terms to over ride the law in their favor by ordering that the duty imposed on every Master of manifesting, or making clear, to the Collector every package "*before it is allowed to leave any such vessel*," be not imposed in the case of their steamers, and to grant immunity from the penalty incurred.

7. The new Act has never yet been introduced into Madras in its entirety, and my order, made out of a desire to prevent hardship from sudden change of practice, which the Board is now asked to still further extend, was, as subsequent examination has convinced me, really *ultra vires*, inasmuch as I had no power to permit that to be done within seven days of a vessel's departure which the law says shall be done before the goods go over the ship's side.

8. The reference now made by the Board leads me to seek orders on an allied matter. Hitherto it has been the practice to manifest only Madras cargo at this port. Section 55, however, requires that "all goods imported in such vessel" should be entered in the manifest. It is within my knowledge that the Calcutta

practice is to insist on literal compliance with the Act in this respect—*vide* also column 7 of the Form of Import Manifest printed at page 147 of Gimbey's Customs Law. I have the honor to request that the Board will issue distinct orders as to whether the practice here is to continue or to be changed.

9. In regard to the question of the authority under which the Rs. 5 fee now in force was fixed, I have the honor to report that the Board will find it at page 2 of the Custom House Manual, and Clause 3, Section 2, Act VIII of 1878. I think that it may be allowed to stand. The question of the rates of fees to be charged for alterations in the other cases noticed by the Board will be reported on separately after a decision has been arrived at on the legal point raised regarding manifests.

THE Board were under the impression that it was the intention to levy a separate fee of Rs. 5 for each correction of the original manifest after the period of seven days fixed by the Collector; as no fee is charged for the correction of palpable errors, Messrs. Binny & Co. have no grievance on this score, and their complaint presumably has reference to the Collector's refusal to allow the manifests to be kept open for an unlimited period for the subsequent entry of overcarried packages. In this respect Mr. Crole's construction of the law is undoubtedly correct; the Board have already in separate Proceedings overruled Messrs. Binny & Co.'s contention, and held that the Customs Act requires entry in the manifest of all cargo landed intentionally, and to permit supplementary manifest to be put in for any length of time after a vessel's departure would be an evasion of the law. The Collector should give notice to the several Shipping Agents that, after the lapse of such a reasonable time as will admit of their warning Masters of Vessels trading with this port, he will enforce the law in regard to the entry in the manifest of all packages landed at the port; meanwhile a fee of Rs. 5 should cover all additions made within seven days after the steamer's departure, a separate fee of the same amount being charged for each additional entry afterwards.

2. As regards the question raised in paragraph 8, the Board do not think it is necessary to alter the existing practice; to

enforce a strict compliance with Section 5 at an intermediate port like Madras would entail great inconvenience and does not appear to be necessary for the security of the revenue.

3. With reference to paragraph 9 the Board were aware that the fee for supplemental manifests is given as Rs. 5 in the Customs House Manual; but the authority for this fee is not quoted in the compilation, and cannot be traced in this office.

C. A. GALTON,
Secretary.

Chamber of Commerce, Madras, 27th September 1880.

TO THE SECRETARY TO GOVERNMENT,
Revenue Department, Ootacamund.

SIR,—I have the honor to acknowledge receipt of your Memorandum of the 20th instant, enquiring why the intention of the Board of Revenue to allow seven days law after the sailing of vessel, for putting in the supplemental manifest does not meet the objections stated by the Chamber in their letter of the 28th ultimo.

In reply I have the honor to state that the Proceedings No. 804, 11th June, of the Board to which you refer seem to the Chamber to show that the concession of the seven days' law was to be withdrawn by the Collector under the authority of the Board, "after the lapse of such a reasonable time as will admit of shipping agents warning masters of vessels," that the law would not be relaxed for the future. That time expired on the 1st instant.

As to whether the concession of seven days' law for putting in the supplemental manifest would meet the objections raised by the Chamber, I am desired to say that, while it would be a decided improvement on Mr. Crole's order of the 25th June, on which the Chamber's objections are based, inasmuch as it would allow for the unavoidable and simple errors of the officers of steamers, incidental at an intermediate port, yet, a return to the system which obtained under previous Collectors of Sea Customs would be far more conducive to the welfare and convenience of the Port without being in any way detrimental to the interests of Government.

I have, &c.,
P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Revenue Department, 8th December 1880.

Read the following papers :—

From the Hon. P. MACFADYEN, Chairman, Chamber of Commerce, to the Chief Secretary to Government of Madras, dated Madras, 28th August 1880.

Abstract.—Submitting, for consideration of Government, copy of correspondence that has passed between the Chamber and the Board of Revenue on the subject of the irritation that has been caused to the Mercantile Community by the severe interpretation of the Customs Act by the Acting Collector of Sea Customs.

Proceedings of the Board of Revenue, dated 8th September 1880, Miscellaneous No. 9,884.

Abstract.—Requesting Collector of Sea Customs to furnish information required by Government regarding steamer manifests; furnishing Government with copy of Board's Proceedings, dated 11th June 1880, No. 804; and requiring them to furnish the Board with copy of communication from Chamber of Commerce on the subject.

From the Hon. P. MACFADYEN, Chairman, Chamber of Commerce, to the Secretary to Government, Revenue Department, dated Madras, 27th September 1880.

Abstract.—Submitting remarks on Memorandum inquiring why the intention of the Board of Revenue to allow seven days' law after the sailing of vessels, for putting in the supplemental manifest does not meet the objections stated by the Chamber in their letter of the 28th August.

Proceedings of the Board of Revenue, dated 19th October 1880, Miscellaneous No. 11,465.

Abstract.—Communicating Government Official Memorandum, requesting to furnish the information promised in paragraph 1 of Board's Proceedings, dated 8th September 1880, Miscellaneous No. 9,884, regarding steamer manifests; and stating that the Collector's report is awaited.

Proceedings of the Board of Revenue, dated 11th November 1880, No. 1,716.

Abstract.—Submitting to Government, with remarks, report of Collector of Sea Customs, Madras, regarding objections raised by the Chamber of Commerce to the orders issued by the Board as to the procedure to be followed in view to prevent the over-landing and short-landing of goods at the Port of Madras.

ORDER THEREON, 8th December 1880, No. 1,669.

His Grace the Governor in Council on a consideration of all the cases put before him sees no reason to hesitate in maintaining the provisions of the Customs Act.

C. G. MASTER,
Secretary to Government.

G.

THE CUSTOMS ACT AND COTTON MANUFACTURES.

Bengal Chamber of Commerce, Calcutta, 27th September 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—I am directed to furnish you with the accompanying copy of this Chamber's letter to the Government of Bengal relative to the working of the Customs Act in connection with the importation of cotton manufactures.

I have, &c.,
H. W. I. WOOD,
Secretary.

Chamber of Commerce, Calcutta, 21st September 1880.

C. W. BOLTON, ESQ.,
Offg. Secy., Govt. of Bengal, Rev. Dept.

SIR,—The Committee of the Chamber of Commerce desire me to address you on the subject of the Sea Customs Act No. VIII of 1878, and of the Notification No. 59 of 13th March 1879, the working of which has become so intolerable, that departmental orders are absolutely necessary to prevent the injustice which is being done to manufacturers and importers of cotton goods.

The Act, though found at first to work comparatively smoothly, could not be expected to provide for contingencies which have arisen under that Notification, and its penal clauses could not have been designed to meet all cases which might subsequently occur; and therefore large discretionary power was vested in the Collector.

There seems, however, to be a tendency on the part of the Customs officials to suspect all Lancashire manufacturers of endeavouring to defraud the Revenue; there may be dishonest manufacturers, but the Committee deny that a great majority deserve to be so considered. To visit with the same penalty those whose cloth shows a mere fractional percentage of fine yarns, and those whose attempt to defraud is obvious, cannot be justified: in the latter case the full penalty may justly be inflicted, but in the former the penalty of paying duty on the whole invoice would be an extreme punishment for the irregularity.

Any one conversant with the internal economy of a cotton mill must know how easily cops of yarn may get mixed; and as the most experienced eye cannot tell the difference between dutiable and duty free weft, without such close examination as is impracticable without seriously impeding the work of the loom, it may well be that a portion of the finer counts might get woven into the cloth without detection. Again, contiguous rows of looms might be at work on different cloths, and the weaver to save himself the trouble of going to the cop room for a fresh supply, might, when near closing time, take a cop from his neighbour's basket to finish up with. In various other ways, and unknown to the manufacturer, a slight admixture occurs, and the consequences, under the present ruling of the Customs, are that instead of a fine, proportionate to the merits of the case, the manufacturer is liable to the entire confiscation of his goods. The Committee submit that no such penalty could possibly be intended to apply to mere acts of inadvertence or of accident; for if so, what, they ask, could be intended as punishment on conviction of deliberate fraud?

The following instances of the working of the Act as interpreted by the Customs authorities will be sufficient to show the nature of the hardships complained of.

5 bales per Str. "Discoverer," each bale containing 100 pieces =500 pieces 28 in. 24 yards 4 lbs. Grey T. Cloth.

One bale containing 100 pieces was examined by the Customs (the other four bales having been previously delivered to buyers), and 24 pieces only were alleged to contain yarn finer than 30*s*., the remaining 76 pieces being passed as all right.

According to the certificate furnished by the Customs, the 24 pieces are said to contain fine weft, in patches varying from 8 inches to 4 yards in each piece, none of the pieces being entirely made of fine weft.

Taking 2 yards as the average of fine yarns in each piece, the total length would be 240 yards, on which the duty would be amounted to about 7 annas altogether.

Ten leas were tested by the wrap-reel at the Custom House, one

lea of over 30*s*, and one lea of under 30*s* yarn from each of five different pieces with the following result :—

Fine weft wrapped	1 lea. 32*s* 33*s*	1 lea. 33*s*-34*s*	1 lea. 34*s*	1 lea. 34*s*-35*s*	1 lea. 35*s*-36*s*
Coarse weft wrapped	1 lea, 24*s*	1 lea. 25*s*-26*s*	2 leas. 26*s*	1 lea. 27*s*-28*s*	

A fine was imposed of Rs. 1,000, and the bale was confiscated, but was re-purchased for Rs. 250, making a total penalty of Rs. 1,250.

The following three cases relate to goods from one manufacturer :—

Case No. 1.—Ten bales ex Str. "Counsellor," each containing 400 pairs 9½ yards Grey Dhooties.

One bale was retained at, and two were returned to, the Custom House. Seven bales had been delivered into the bazaar when the Collector's application for them was received. Of 260 pairs examined 30 were alleged to contain 55 yards of fine weft.

Case No. 2.—One bale ex Str. "City of Khios," containing 400 pairs 9½ yards Grey Dhooties, retained at the Custom House. One hundred pairs were examined, and eight were "found to contain fine weft apparently throughout."

Case No. 3.—Six bales ex Str. "Mira," 5 containing each 400 pairs, and one 374 pairs 9½ yards Grey Dhooties.

One bale was retained at the Custom House. Five bales had been delivered into the bazaar when the Collector's application for them was received. On examination of the one bale retained, "several pieces" were found to contain yarn finer than 30*s*, which, on testing by the wrap-reel, proves to range from 36*s* to 39*s*.

The results may be summarised as follows :—

	Case No. 1	Case No. 2	Case No. 3
No. of yards in invoice	38,000	3,800	22,553
" " " examined	2,470	950	*
" " " alleged to be woven with fine weft	55	76	*
Percentage of fine weft to total weft ...	2¼	8	*
" " " " cloth ...	1	3¼	*
" penalty to amount of duty leviable on fine weft	100,000	57,219	*
Amount of duty leviable on fine weft ...	Rs. 2·8	As. 12·7	*
Value of the goods	" 5,000	Rs. 450	Rs. 2,516
Penalty inflicted	" 2,500	" 450	" 1,425
Consisting of—Fine	" 1,000	.....	" 1,000
Confiscation	" 1,500	" 450	" 425
Possible gain to the manufacturer if the fine weft were 36*s* instead of 30*s*	3*s*. 4½*d*.	1*s*. 3*d*.	*
" if 40*s* instead of 30*s*	5*s*. 8½*d*.	2*s*. 1*d*.	*

* Not ascertained.

Affidavits were produced to prove that the manufacturer had bought specially sufficient 30*s* weft to complete the goods, and that 30*s* were not required for any goods concurrently in process at his mill. Therefore the presumption, amounting almost to certainty, is that the 30*s* supplanted by finer weft in the penalized goods were incorporated in goods on which duty has been paid. In this case it

is obvious that the revenue has not suffered nor the manufacturer benefited even to the infinitesimal extent possible on the assumption of fraudulent intent.

The following imaginary cases are submitted to illustrate the inequality which arises under the Collector's treatment of "all cases alike":—

A. One hundred bales, value Rs. 20,000, 99 of which have been delivered into the bazaar before detection of three per cent. of fine weft.

B. The same, but no bales delivered.

C. Five bales, value Rs. 1,000, none delivered; one per cent. of dutiable weft detected.

		A.	B.	C.
Value of consignments	Rs.	20,000	20,000	1,000
Duty leviable on fine weft	,,	30	30 8	annas
Penalty inflicted...	,,	1,200	21,000	2,000
Consisting of—Fine	,,	1,000	1,000	1,000
Confiscation	,,	200	20,000	1,000
Percentage of penalty to amount of duty leviable on fine weft	,,	4,000	70,000	4,00,000

In regard to these instances the Committee draw special attention to the exceedingly small proportion of fine yarns found in each parcel, and to the fact that the incorporation of this fine yarn in the cloth could not have saved the manufacturer anything in the cost of goods, and also to the absurdly small amount of duty which would be leviable, if the whole yardage of fine yarns was made chargeable with duty.

When the Committee in a late correspondence with the Collector of Customs, (as per copy annexed,) agreed with him that an unqualified declaration ought to be made by the importer, they added that satisfactory explanations should be held sufficient to remit the responsibility attaching to wrong declarations; and the Collector promised to deal leniently with cases where it was clearly shown that mis-description or mis-statement was purely the result of clerical error or inadvertence; but instead of carrying out his promise, he interprets the Act in its most rigorous sense.

Much stress is laid by the Collector on the Chamber's expressed concurrence in his view as to the obligations of importers. The Committee repeat that all proper means for the careful protection of the customs revenue are essential; but they must at the same time disclaim any intention of countenancing an absolute forfeiture of property except in proved cases of deliberate wrong-doing.

The above and similar cases, the Committee respectfully submit, should be classed as inadvertencies; they are clearly the result of ignorance, of want of care or of laziness on the part of a factory hand; and to make merchants or manufacturers responsible for such faults of a workman to the extent of the whole value of the goods is the Committee submit, an application of the law which was not intended, and which cannot be supported with any show of justice.

The Collector has said that as in no case has there been any ground for supposing that the merchant here has acted otherwise

than *bona fide*, he must in fairness deal with all cases on the same lines; but it seems to the Committee that the object of leaving such large discretionary power in his hands was that he should exercise it when necessary. In acting as he has done, the Collector has lost sight of the object he states he had in view, *viz.*, to avoid inequalities in the penalties imposed, for he has confiscated all goods, whether the proportion of fine yarns was found to be 100 per cent., or the fraction only of 1 per cent.

Hitherto it has been assumed that the manufacturer can be held responsible, and that the importer will be able without difficulty to recover from him, but the case has not been tried, and it is by no means certain that he can be so held responsible. Be that, however, as it may, the Committee think that the Lancashire manufacturer is as much entitled to protection as the importer himself.

The Committee trust that a complete investigation will be made of the whole subject, with a view to a refund of the fines which, in their opinion, have been unjustly imposed, as well as of the value of all goods confiscated. Meanwhile they hope that orders will be issued to the Customs authorities to exercise the discretion which they possess, and to apportion the penalty in each case as it arises according to the nature of the offence, and thereby put an end to the wholesale confiscation which is now going on.

I have, &c.,

H. W. I. WOOD,

Secretary.

Collector of Customs, Calcutta, Dated the 3rd May 1880.

TO THE SECRETARY, CHAMBER OF COMMERCE,

Bengal.

SIR,—I have the honor to request that you will ask the Committee of your Chamber to favor me with an expression of their opinion as to the best means of overcoming a difficulty which has arisen between myself and certain importers of Grey Cotton Piece Goods.

2. By a notification which appeared in the *Calcutta Gazette* of 2nd April, the chief Customs authority, under the power given by Section 86, Act VIII., 1878, ordered that in the case of Cotton Piece Goods claiming free entry, the bill of entry should contain a declaration to the effect that the goods contained no finer yarn than 30*s*.

3. Since it has been discovered that goods so declared (on the faith of certificates furnished by the manufacturer or factor) are frequently found to contain much finer yarns in larger or smaller proportions, importers have been introducing into their declarations qualifying terms such as "to the best of our knowledge and belief" or "should the goods prove to contain finer yarn we are to pay duty under protest."

4. Apart from the legal aspect of the case, which I do not propose now to discuss, it will at once be evident that such a declaration conveys in itself that there is at least a doubt in the mind of the

importer that his goods are not entitled to free entry. Under such circumstances, and with a view to the necessary protection of the Government Revenue, the examination of a parcel of goods must inevitably be most searching. This would, in my opinion, lead to much annoyance and loss to the importer himself, and cause great delay in the Custom House, to the inconvenience of the public generally, for if such declarations are accepted generally, and the entire onus of the question of free or dutiable goods is thrown on the Appraising Department, there cannot but result great delay both in respect of cotton goods as well as of general merchandize.

5. I am therefore of opinion that such qualified declarations from a commercial point of view are undesirable, as importers, under the latter clause of Section 29, Act VIII., 1878, have every facility for ascertaining what yarns their goods are made of, and that an importer should take ordinary precautions to protect himself from the penalties of mis-description, and I should be glad to know if the Chamber of Commerce has any reason to dissent from the view I have taken.

6. I shall be obliged by the favor of an early reply.

I have, &c.,

J. D. MACLEAN,
Collector of Customs.

Bengal Chamber of Commerce, Calcutta, 11th May 1880.

J. D. MACLEAN, ESQ.,
Collector of Customs.

SIR,—The Committee of the Chamber of Commerce have had under consideration your letter No. 1,494 of the 3rd instant, and they direct me to express their concurrence in the view you take of the subject brought to notice.

They are of opinion that an importer of merchandise of any description should be in a position to specifically declare its character, quality, and value, and that there should be no necessity for any qualified declaration, except under exceptional circumstances, such as the inadvertent absence of invoices, or certificates, or other requisite means of correctly describing the contents of packages in bills of entry.

If an importer fails to adopt ordinary precautions to protect himself against the penal provisions of the Customs Act, the inconvenient consequences are clearly attributable to his own neglect: if he suffers by the misrepresentations of others, he has his remedy against them; but in either case it appears to the Committee that it is only reasonable and proper that the Government revenue should be carefully protected.

Whilst giving this opinion, the Committee desire to remind you that, in making declarations, mistakes, such as clerical errors, may frequently occur through no fault of the importer or of the manufacturer, and in such cases they hope that any satisfactory expla-

nation given will be held sufficient to remit the responsibility attaching to such wrong declaration. I have, &.,

H. W. I. WOOD,
Secretary.

Collector of Customs, Calcutta, 13th May 1880.

TO THE SECRETARY BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I have the honor to acknowledge receipt of your letter of the 11th instant, for which I am obliged.

2. I fully recognise the importance of the opinion expressed in your last paragraph, and am always prepared to deal leniently with cases where it is clearly shown that mis-description or mis-statement is purely the result of clerical error or inadvertence.

I have, &c.,
J. D. MACLEAN,
Collector of Customs.

Bengal Chamber of Commerce, Calcutta, 9th October 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—On the 27th of last month I had the pleasure to forward copy of this Chamber's letter of 21st ultimo to the Government of Bengal regarding the Customs Act as applied to the Importation of Cotton Piece Goods; and I am now directed to send you the reply to that letter and the Chamber's rejoinder.

Yours, &c.
H. W. I. WOOD,
Secretary.

Darjeeling, 25th September 1880.

TO THE SECRETARY BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I am directed to acknowledge the receipt of your letter, dated the 21st September, 1880, with its enclosures, representing the hardship to which manfacturers and importers of Cotton Piece Goods are subjected, by the arbitrary application of the penal clauses of the Sea Customs Act VIII of 1878, by the Customs authorities, in cases coming under the notification of the Government of India No. 59 of the 13th March 1879.

2. In reply I am to forward, for the information of the Chamber of Commerce, the accompanying copy of a Resolution dated the 24th

September 1880, by this Government, on the subject, and to say that it was issued before the receipt at head quarters of your letter under acknowledgment. The Chamber will observe that the Lieutenant-Governor has held that the penalties of confiscation and fine need only be imposed in extreme cases, but that duty is leviable in cases where the requirements of the Government of India notification of 13th March 1879 are not fully complied with.

I have &c.,
A. MACKENZIE,
Secy. to the Govt. of Bengal.

Resolution of the Government of India, Revenue Department, dated Darjeeling, the 24th September 1880.

Read the following—

1. Letter from Messrs. Williamson Brothers, without date, received on the 26th June 1880, appealing against an order of the Board of Revenue, confirming an order of the Collector of Customs, Calcutta, confiscating certain cotton piece-goods imported by the appellants.
2. Letter from the Board of Revenue, No. 560B, dated 22nd July 1880, reporting on the foregoing.
3. Endorsement from the Government of India, in the Department of Finance and Commerce, dated 31st July 1880, forwarding, for disposal, a letter from Messrs. Carlisles, Nephews & Co., dated the 17th July 1880, appealing against the orders of the Board in a similar case to the above.
4. Letter from the Board of Revenue, No. 654B, dated the 31st August 1880, reporting on the foregoing.
5. Letter from Messrs. Williamson Brothers dated the 6th August 1880, in continuation of their former representation (No. 1 above).
6. Letter from the Board of Revenue, No. 714B, dated 18th September 1880, with reference to the foregoing.
7. Letter from Messrs. Carlisles, Nephews & Co., dated 9th September 1880, in continuation of their former representation (No. 3 above).

UNDER the Government of India notification, No. 59 of the 13th March 1879, certain descriptions of cotton grey piece-goods, "shown to the satisfaction of the Customs Collector, whose decision shall be final, to be of the dimensions, weights, counts, and quantities now generally known under those descriptions, *and to contain no yarn of a higher number than* 30*s*," were exempted from import duty.

2. By section 29 of the Customs Act, every importer is bound to state in his bill-of-entry "the real value, quantity, and description of the goods imported by him, to the best of his knowledge and belief," and must "sign a declaration of the truth of such statement at the foot of such bill." The Collector has, under the same section, power to require the production of any invoice or other document whereby the real value, quantity, or description of the goods can be ascertained, and to call upon the importer to furnish any information in his possession relative to these points. But if the importer declares that he is unable from want of full information, to state the real value or contents of any case, package, or parcel of goods, then the Customs Collector is bound to permit him, *previous to the entry thereof*, to open the goods and examine the contents in presence of an officer of customs, after which the importer must, under the first part of the

section, fill in his own bill-of-entry. The customs authorities are in no way responsible for, and ought not, under any circumstances, to accept the responsibility for the correct filling in of the bill-of-entry. Their duty is to check the statements in the bill-of-entry, and to satisfy themselves, by evidence or by examination, that the particulars given by the importer are correct, and to assess duty or grant free passes accordingly.

3. Under Section 86 of the Act, the Board of Revenue, as the chief customs authority, are empowered to prescribe in respect of any class of goods such additional particulars, in addition to those specified in section 29, as they may think it necessary to have in the bill-of-entry; and under section 167, clause 37 (*b*) and (*c*), if it be found that the contents of any package have been wrongly described in the bill-of-entry (as drawn up with reference to section 86), whether as regards the denominations, characters, or conditions according to which such goods are chargeable with duty; or if the contents of such packages have been mis-stated in regard to sort, quality, quantity, or value, and such circumstance is not accounted for to the satisfaction of the Customs Collector, the packages and goods are liable to confiscation, and every person concerned in the offence is liable to a penalty not exceeding Rs. 1,000. In the case of piece-goods claiming free entry under the Government of India notification of the 13th March 1879, the Board have ordered, under section 86, that there must be a specific declaration in the bill-of-entry that the goods contained no yarn of a higher number than 30*s*. This is clearly an order that the Board were legally empowered to give; and that it was, under the circumstances of the piece-goods market, a proper order, appears to be admitted by the Chamber of Commerce, to whom the Collector of Customs referred the point. The Chamber of Commerce wrote.

> They are of opinion that an importer of merchandise of any description should be in a position to specifically declare its character, quality, and value, and that there should be no necessity for any qualified declaration except under exceptional circumstances, such as the inadvertent absence of invoices or certificates, or other requisite means of correctly describing the contents of packages in bills-of-entry. If an importer fails to adopt ordinary precautions to protect himself against the penal provisions of the Customs Act, the inconvenient consequences are clearly attributed to his own neglect; if he suffers by the misrepresentation of others, he has his remedy against them; but in either case, it appears to the Committee that it is only responsible and proper that the Government revenue should be carefully protected.

4. Strictly speaking, the Customs Collector is bound to satisfy himself, before any imported goods leave his custody, either that they are really duty-free, or that they have been properly assessed to duty under the Tariff Act. But in order to meet the convenience of the firms trading in piece-goods, the practice has been to allow the importer, upon his making the declaration in his bill-of-entry that the goods contain no yarns of higher number than 30*s*, to remove at once, without inspection, all the bales of the consignment covered by the bill, with the exception of one bale, selected at random, which is kept for examination. The importer, for his own convenience, agrees in fact to stand by the results of the examination of the specimen bale. If this is found to correspond with the description in the bill-of-entry the whole consignment is passed free without further question. If

any of the pieces in the bale are found to contain fine yarn, the importer is requested to return for further examination the bales already delivered. It frequently happens, however, that the importers have already made these over to buyers, and are not in a position to return them.

5. In the cases of the appellants, and recently in many other similar cases, the examination of the test-bales has resulted in the discovery of pieces containing patches, varying in length from a few inches to over 35 yards, made of yarn of higher numbers than 30*s*. In some instances whole pieces made of such finer yarn have been discovered. The Customs Collector, considering, under these circumstances, that the goods had been misdescribed, as containing no yarn finer than 30*s*, has usually confiscated the bales which he had in his possession, giving importers, under section 183, the option of taking delivery on payment of a fine, and called upon them to return for examination the bales removed by them. On their failure to return these, a fine under section 167, clause 37, has been inflicted as a sort of set-off, the reasonable presumption being that these bales also would have been liable to confiscation.

6. On behalf of the appellants it is urged that the occurrence of small patches of finer weft in duty-free piece-goods is entirely the result of accident; that when goods of different wefts are being woven in the same shed, it is quite possible for some of the "cops" of finer yarn to get mixed up with the coarser; that this carelessness is no advantage to the manufacturer, as it injures the uniform character of his goods, and he only gets the price of coarse material for the piece into which the fine yarn is woven. It is further argued that the penalty of confiscation is only intended for cases of undoubted fraud, and that the customs authorities ought to determine, before the completion of the bill-of-entry, whether goods are entitled to be admitted duty free, so as to give the importer certainty in filling up his bill-of-entry.

7. On the other hand, the customs authorities hold that if they, for the convenience of the trade, relax the system of examination of goods, they must, for the protection of the revenue, retain in their hands a strong deterrent against abuse of the advantage, and be allowed to inflict appreciable penalties in cases of detected misdescription. In the cases under notice it is admitted that the importer here is not to blame, the misdescription being given on the faith of the advices and invoices of the home manufacturer. Hence the customs authorities are always ready to give the importer certificates, in cases of confiscation, upon which he can, and in some instances has, recovered from the manufacturers. It is shown that under section 167, clause 37 (*b*) and (*c*) the Collector has not to decide upon the intention of the person wrongly describing the goods. Confiscation may be inflicted as a penalty for misdescription, whether arising from fraud or carelessness. The case of Mohendro Nath Dutt appears to have been treated by the customs authorities as a kind of test-case. It was referred by the Collector to experts in the trade, and a copy of their report is attached to this Resolution. It is now stated that the total amount of fine weft in this case was 10¼ yards to a bale of 2,000 yards. In no case has

confiscation been imposed as a penalty where the amount of admixture has been less than this. It must also be borne in mind, with reference to the question of the manufacturer's intentions, that the customs authorities are not in a position to judge of these; and it is urged, on their behalf, that the amount of admixture is in many instances so large as to make it quite impossible to attribute it to anything but intention, or the grossest form of carelessness; and that it is by no means improbable that the intention may be to test the character of the customs examination, with a view to passing in dutiable goods hereafter. Circumstances have occurred at times which make this last supposition anything but unreasonable, and it is a contingency which the customs authorities must at least bear in mind. The manufacturer, knowing well the order of the Indian Government, is bound to exercise due care in his manufacture; and though it may be unfortunate that he should only be reached through the importer, no other course is open to the customs authorities here.

8. On considering all the facts and arguments, the Lieutenant-Governor feels bound to decide that the Customs Collector and Board of Revenue have been technically and legally right in their procedure throughout. The importer is bound to make an unqualified declaration in his bill-of-entry. The Customs Collector is not at liberty to decide, before entry, whether goods are free or dutiable. Confiscation and fine may be imposed for misdescription, without there being any positive proof or even suspicion of fraud. But, at the same time the Lieutenant-Governor does not think that it is necessary or desirable to impose severe penalties as a matter of course in every case such as those now under notice. The revenue can be sufficiently protected by other means.

9. If Importers wish to see the present system of quick delivery on the faith of an unqualified declaration in the bill-of-entry, and the subsequent examination of a test-bale maintained, they must consent to stand by the results of the examination of that bale, and must make such arrangements with the manufacturers as will secure them from loss by mistakes or otherwise. If, then, the sample bale is found to contain *any* admixture of fine yarn of higher numbers than 30*s*, the goods are, both under the terms of section 21 of the Act, and of the Government notification of 13th March 1879, undoubtedly liable to duty, and the whole consignment which that bale represents ought to be charged with duty. In the Lieutenant-Governor's opinion it would in ordinary cases, be quite sufficient to assess the goods as dutiable. The penalties of confiscation and fine should be reserved for those cases in which the admixture of fine yarns is so great as to warrant the inference of bad faith or gross carelessness. The Lieutenant-Governor is disposed to hold that, if the amount of fine yarn in the bale is over 2 per cent., or if an entire piece of fine material is discovered, the case calls for the infliction of some penalty, though not necessarily the full penalty allowed by section 167, clause 37. The Collector should insist on the payment of duty as a matter of course, and inflict penalty with reference to all the circumstances of the case, using a just discretion.

10. The Lieutenant-Governor thinks that the Board of Revenue should now pass fresh orders in the cases under appeal, in accordance

with the principles laid down in the foregoing paragraph, and they are at liberty to decide any similar representations in the same way. They can remit any penalties already imposed where these are not in harmony with the orders now passed. If importers are not satisfied with this arrangement, they can leave their consignments for examination before delivery, in accordance with the strict requirements of the law. The Collector would of course in that case, on discovering any admixture of fine yarns in a bale, examine all the bales of that consignment, unless duty were paid without further demur.

Order.—Ordered that a copy of this Resolution be forwarded to the Board of Revenue for information and guidance, and communication to the Collector of Customs.

Also that a copy be forwarded to Messrs. Carlisles, Nephews & Co., and Messrs. Williamson Brothers, with reference to their letter quoted at the heading of the Resolution.

Also that a copy, with copies of the Board's letters quoted in the heading, be submitted to the Government of India, in the Department of Finance and Commerce.

By order of the Lieutenant-Governor of Bengal,

A. MACKENZIE,

Secty. to the Govt. of Bengal.

Report on Mohendronath Dutt's case, drawn up by Customs Collector and signed by experts.

On receipt of the Board's order, Mohendronath Dutt was requested to attend at the Custom house, and on doing so was allowed to select a piece of cloth for examination. The yarn was unravelled, and sealed up in the presence of himself or persons chosen by him. By some chance he had selected a piece in which all except a very insignificant portion of the yarn was undoubtedly 30*s*. This led to a strict examination of all the 50 pieces in the bale, and it was discovered that 14 pieces out of the 50 were clearly woven of yarn in some places 3 *s*, and in others of much finer yarn, which would at once disqualify them for free entry, and portions of the latter were also unravelled. I then requested Messrs. Craik, of Williamson Brothers, and O'Keefe, of Kettlewell, Bullen & Co., gentlemen whose character is beyond question, to attend at the Custom House on Monday, 24th November, at which time Mohendronath Dutt accompanied by Mr. Turnbull, also an impartial and skilled expert of similar character, were present. These gentlemen saw the yarn which had been unravelled from the piece selected on behalf of Mohendronath Dutt tested by the wrap-reel, and, as I have said before, it was found to be 30*s*. These gentlemen also examined the pieces of cloth in which there was a mixture of yarn of 30*s*, and yarns finer than 30*s*, and yarn of the latter description unravelled from these cloths; and the introduction of the yarn finer than 30*s*, and the fineness of the yarn was so unmistakable and clearly defined, that they expressed themselves perfectly satisfied without resorting to the test of the wrap-reel that the cloths were not such as could come in under the designation of goods containing no yarn finer than 30*s*, and that the

yarns were much finer than 30*s*. Mr. Turnbull was inclined to think that the introduction of the finer yarn (*in the extreme case* amounting to three yards two feet in 3½ yards) was not necessarily intentional or wilful. Messrs. Craik and O'Keefe were not prepared to go so far, considering that the amount of carelessness in manufacture was violently improbable, and most discreditable to the manufacturer. I have shewn this statement of facts to these gentlemen, and they have certified to its correctness.

Signed by { W. CRAIK. J. W. O'KEEFE. R. TURNBULL.

The 24th November 1879.

By order of the Lieutenant-Governor of Bengal,
A. MACKENZIE,
Secty. to the Govt. of Bengal.

Bengal Chamber of Commerce, Calcutta, 5th October 1880.

TO THE HON'BLE A. MACKENZIE,
Secy. to the Govt. of Bengal, General & Revenue Dept.

SIR,—I am instructed by the Committee of the Chamber of Commerce to acknowledge the receipt of your letter No. 651, dated 25th September, with copy of a Resolution on the subject of the working of the Sea Customs Act VIII of 1878, in connection with the Notification No. 59 of the 13th March 1879.

The Committee observe with satisfaction that the Lieutenant-Governor, although judging that under the provisions of the Act the Collector of Customs and the Board of Revenue have been *technically* and *legally* right in the procedure against which they appealed, has ruled that the penalties of fine and confiscation need only be imposed in extreme cases; His Honour seems, however, to hold that duty should be levied in all cases where goods are found to contain *any* admixture of yarn finer than 30s; that if the amount of light yarn in a bale is over 2 per cent., or if an entire piece of fine material is discovered, there should further be the infliction of a fine, and that cases warranting the inferences of bad faith or gross carelessness should be visited by the extreme penalties of fine and confiscation.

The Committee hope to be able to convince the Lieutenant-Governor that this ruling, although to an important extent modifying the intolerable hardships of which they complained, will still result in great injustice being done to importers or manufacturers who, under it, must often suffer more or less severely from the results of pure accident which no amount of care could prevent.

The Collector of Customs has put much stress upon an opinion expressed by the Committee, that an importer should be in a possession (except under exceptional circumstances) to specifically declare the character and quality of his merchandise, but unfortunately the qualifying clause at the end of the letter from which the quotation has been given, and his own reply, have apparently been lost sight of.

The letter in question ended with the following para: "Whilst giving this opinion, the Committee desire me to remind you that in

making declarations, mistakes, such as clerical errors, may frequently occur through no fault of the importer or of the manufacturer, and in such cases they hope that any satisfactory explanation given, will be held sufficient to remit the responsibility attaching to such wrong declarations."

And in reply, the Collector wrote:—"I fully recognise the importance of the opinion expressed in your last paragraph, and am always prepared to deal leniently with cases where it is clearly shown that misdescription or misstatement is purely the result of clerical error or inadvertence."

At the time of giving this opinion, no such cases as those with which the Collector has recently dealt had come under the notice of the Committee, and they could hardly have foreseen that such were likely to occur, otherwise they would have considered it requisite to qualify, in a more decided manner, their opinion in regard to the importer's duty to declare the character of his goods, and the necessity for the Collector to use a wise discretion.

The Collector, however, did this himself, for the word "inadvertence," which he has used, would certainly apply to most of the cases in which he has lately inflicted the fullest penalties which the law permitted, even had those cases been of deliberate and proved fraud.

The Act provides that when the importer is unable from want of full information to state the real value or contents of any case, the Collector is bound to permit him, "previous to the entry thereof," to examine the contents in the presence of an officer of Customs. This permission, however, becomes of little or no value, when by accident a small admixture of fine yarn has found its way into the cloth, because the mistake might easily escape the eye of the importer, and yet be discovered subsequently by the appraiser; and, as this officer has to be present at this examination, the Committee do not see why he should not under such circumstances then decide whether the goods are dutiable or free.

Section 167, Clause 37, (*b*) and (*c*) provides penalties for wrong description or misstatement in bill of entry, *if such is not accounted for to the satisfaction of the Collector*; but this qualifying clause has, in recent procedure, been entirely ignored, for the system has been to treat all cases alike—quite irrespective of the circumstances and of the explanation given. In the language of commerce it is no misstatement to declare goods to be made of 30s, if the quantity of finer yarn in them is within the margin which the accidents inseparable from manufacture render unavoidable.

The Committee believe it to be in the interests of importers that the present system of quick delivery should be maintained, and that they should stand by the results of the examination of a test bale, and they are most desirous that the Government revenue should be carefully protected; but they maintain that this should not be at the expense of the importer or manufacturer whose cloth, unknown to him, may contain here and there an accidental admixture of dutiable yarns.

How this accidental admixture may occur has been fully detailed in the Chamber's letter of 21st September, and the Committee would

only add, that even the finding in a bale a whole piece, or pieces, woven entirely with fine yarns, does not necessarily imply that a fraud was intended, because when different kinds of goods are being packed in the same warehouse it has not unfrequently happened that they have got mixed; but in such cases the Collector should have no difficulty in determining whether the circumstances were accidental, or otherwise. The Committee cannot press too strongly the fact, that to be of any benefit to the manufacturer in cheapening the cost of his cloth, the admixture of fine yarns must be of an important extent, and that even then he runs the risk of getting the cloth rejected by the purchaser at home, who of course will not willingly receive goods of irregular or thinner texture than he has contracted for.

In the so-called "test case," the value of the fine yarn introduced was about one penny less than the 30s which it displaced, and only 3½ pies duty would have been leviable on the whole quantity of the finer yarn. The Committee cannot concur in any opinion which regards these trifling irregularities as implying fraudulent intent, and cannot agree that any moderation has been shown which is based on the assertion that no goods have been confiscated for a smaller admixture.

The Lieutenant-Governor rules that if the sample bale is found to contain *any* admixture of yarn of higher numbers than 30s, the whole invoice is undoubtedly liable to duty, both under Section 21 of the Act, and under the Notification of 13th March 1879; and under this ruling the Collector has already taken action in the following cases which have just been brought to the notice of the Committee:—

Case A:—50 *bales Grey Shirtings, ex S. S. "Vega."*

No. 6,467 = 50 pieces = 1,950 yards examined: 1 piece = 39 yards contained 18 inches of fine weft: 1 lea tested 43·44*s*.

Case B:—26 *bales Grey Shirtings ex S. S. "Vega."*

Nos. 6,569 } 100 pieces = 3,900 yards examined: 19 pieces = 741 yards con-
,, 6,578 } tained 20 yards 31 inches fine weft: 2 leas tested 41·42*s*.

In case A, out of 1,950 yards examined it would thus appear that only 18 inches, or ·025 per cent., and in case B out of 3,900 yards only 20 yards 31 inches, or ·535 per cent., have been found to contain fine yarns; and for this infinitesimal admixture, the result, undoubtedly, of inadvertence, the Collector has imposed duty-penalties of Rs. 547-14-0 and Rs. 284-14-0, respectively, thus showing that the orders issued by His Honour, although intended to mitigate the penalties, have actually resulted in the infliction of a punishment for accidents so unimportant that they would before have been passed over.

His Honour is disposed to hold, that if the amount of fine yarn in a bale is over 2 per cent., or if an entire piece made of the finer material is discovered, some penalty, in addition to duty, is called for; but the Committee respectfully urge that in both cases they have shown that the mistake might be of so purely accidental a nature as not to call for any punishment.

The penalties of confiscation and fine in cases warranting the inference of bad faith are not, the Committee think, too severe; but to place gross carelessness in the same category as fraud is, they submit,

a mistake: gross carelessness undoubtedly deserves some punishment, but if the object be to prevent its recurrence, a much less severe one than confiscation (which is the extreme penalty for fraud) would have an equally good effect, and be more suited to the circumstances.

In conclusion, the Committee respectfully suggest that some modification of the law or of its interpretation is required to meet the peculiar circumstances which have arisen; that the Collector should not be obliged to insist on the payment of duty as a matter of course, and that he should be instructed to regulate his penalties with reference to all the circumstances of each case, and to use that just discretion which His Honour has suggested, and which would appear of late to have been so entirely forgotten.

They would, moreover, submit, with reference to the permission given in the 10 paragraph of the Resolution to the Board of Revenue to remit any penalties already imposed, that those orders be made peremptory, and that the amounts that have been paid in the shape of duty fine or confiscation should, in all cases where fraud was evidently never attempted, be returned. I have, &c.,

H. W. I. WOOD,
Secretary.

Simla, the 3rd December 1880.

TO THE SECRETARY TO THE GOVERNMENT OF BENGAL,
Calcutta.

SIR,—I am directed to acknowledge the receipt, with your endorsement No. 645T., dated 24th September 1880, of a Resolution by the Government of Bengal, upon certain complaints about the action of the Calcutta Customs House, in regard to the Customs duty on cotton grey piece-goods, and of your subsequent communication on the same subject.

2. The principal subject of complaint is the levy of full duty, and also penalties, on certain goods which, though declared to contain no yarn of a higher number than 30s, were found, on examination, to contain patches of finer yarn. Complaint is also made of the extent to which partial tests have been held to govern the liability of whole consignments to duty, confiscation, and fine.

3. The Government of India concurs with His Honour the Lieutenant-Governor in thinking that duty must be paid on any cloth which indisputably contains finer yarn than 30s, even in small quantities. But in determining whether cloth does contain finer yarn, due allowance should be made for the custom of the trade as to the numbering and testing of yarn.

It is extremely difficult to spin yarn either of perfectly even thickness or to the exact number intended, and it is intended, and it is believed that it is the practice, when part of an order turns out coarser, to make up the right "number" by spinning the rest finer than the number ordered. So long as the buyer gets the right weight, and the right number of yards to his bundle, &c., a variation of one or two numbers each way within the denomination is not much regarded. Weavers, who deal with raw yarn, usually wrap seven as a "skein," that is to say, a whole hank at a time, and take the average. In Custom-house testing, where the yarn must first be unravelled from the piece, this cannot be done; but a reasonable allowance for variations of a number or two each way should, in the opinion of His Honour the President in Council, be made before it is held that goods are intentionally made of yarn of a higher number than 30s.

4. As to the levy of penalties, the President in Council agrees in the view, that the Collector has not to decide upon the intention of the person wrongly describing the goods, and that the imposition of the penalties allowed by the law cannot be confined to cases in which fraud is established. It is necessary, for the protection of the revenue, that the Collector should be free to inflict a penalty in any case in which a misdescription is not accounted for to his satisfaction. But, on the other hand, penalties should not be imposed, indiscriminately, in every case of misdescription. A wide discretion is left to the Collector by Section 167, Clause 37, of the Sea Customs Act, and in ordinary cases of misdescription it will suffice simply to levy duty upon the goods.

5. Besides the varying circumstances of particular cases, there are certain considerations, such as the general scope and intention of the exemption, and the custom of the trade, which should influence the Collector in deciding whether or not to impose penalties. If goods declared to contain no yarn finer than 30s are substantially such as the law intended to exempt, it would be harsh to levy any penalty, merely because they contain, through accident or carelessness, a little finer yarn. In such a case the explanation that the declaration was made on the strength of a manufacturer's certificate, and that the admixture of finer yarn

was accidental, should, in the absence of any special circumstance telling the other way, be accepted; and the President in Council is not prepared to say that the discovery of even more than 2 per cent. of finer yarn in such goods would necessitate a penalty. On the other hand, if the goods so declared are found to be made wholly of yarn finer by even one number than 30s, or of finer yarn so blended with exempted numbers as to affect their general character, nothing short of the clearest demonstration that the declaration was *bonâ fide*, should avert confiscation and fine.

6. Having regard to the somewhat indefinite nature of the allowance to be made, in accordance with the custom of the trade before mentioned, the President in Council has no doubt that many cases must arise in which, though it may not be "shown to the satisfaction of the Collector that the goods contain no yarn of higher number than 30*s*," and duty must, therefore, be levied, it would not be right to impose any penalty for misdescription.

7. The President in Council finds it difficult to suppose that the irregularity most prominently discussed in these papers, namely, the presence, in patches, of a certain quantity of yarn unmistakeably finer than 30*s*, can be intentional. If the object were to economise cotton by the use of size, the finer yarn would be more systematically blended, so as to lessen the chance of the fraud being discovered; and, doubtless, in Calcutta, as elsewhere, purchasers look much to smoothness of surface and evenness of texture. Patchy goods bring the maker's name into disrepute, and fetch so much less than those of uniform make and texture as to more than counterbalance any possible gain from additional sizing. They probably cost less to make, and meet a demand among classes who cannot afford to pay for a better article: but it is improbable that they are deliberately manufactured in order to profit by the exemption; and, when it is found that their irregularity subjects them to duty, their character will be altered, or they will no longer be imported. In this connection I am to say, with reference to your letter No. 1100T., dated 9th instant, that the cloth of the best makers is, naturally, most free from flaws, but, so long as there are good and bad workmen and good and bad management, patchy goods will doubtless be manufactured.

8. It has been ascertained that these principles have been applied in the Bombay Customs House, and that no complaints have arisen, there, of the administration of the law. The penal clauses of the Act have been applied in only one or two cases, when small fines have been imposed as a check upon want of due care in making declarations.

9. As regards the second ground of complaint recited in paragraph 2, the practice at Bombay differs from that at Calcutta, in that it is the exception, and not the rule, to allow any part of a consignment to leave the Custom House before the necessary tests have been applied. The President in Council does not wish to lay down any hard and fast rule on the subject, but he considers that, as far as possible, the same procedure should be followed at Calcutta. In Bombay, consignments are generally passed within two days of the presentation of documents, and importers are usually willing to wait that time for delivery. Under this procedure, if the regular test discloses any admixture of fine yarn, all further enquiries and tests necessary to determine the exact nature of the consignment are made before any of the goods are set free; and importers have the opportunity of showing that the presence of dutiable yarn is accidental, or results from wrong packing or making, or is limited to certain bales or certain pieces only. In such cases it might not always be necessary to examine all the bales of a consignment, or to levy duty on a whole consignment, merely because one bale contains finer yarn than 30s; for, if a sufficient number of other bales were examined, all of which were found correct, so that a *prima facie* probability was established that the mistake was limited to a small number of bales only, it would be proper to allow the importers the option of either having the remaining bales tested, or paying duty on a portion of the entire consignment proportionate to the ratio borne by the one dutiable bale discovered to the whole number of bales tested.

10. But if it be necessary, for the convenience of the importers, to allow any consignment to be removed from the Custom House before examination, the President in Council considers that it should be (as is implied, though not expressly ordered, in the Resolution of the Government of Bengal) on the

distinct understanding that, if the test bales turn out dutiable, duty must be paid, without demur, on the whole consignment to which they belong. Goods which have once left the Custom House should never be brought back for examination. By this procedure any complaint that the "accident of delivery by importers to purchasers determines the amount of the penalty" would be altogether obviated.

11. On the whole case, I am to say that the President in Council, while agreeing with the Lieutenant-Governor that the procedure of the Customs authorities at Calcutta has not been illegal, regrets that the discretion entrusted to them by the law has not been more judiciously exercised. His Honour has no doubt that if the principles now explained are judiciously and uniformly applied at Calcutta, all reasonable complaints of the administration of the law will cease. I have, &c.,

R. B. CHAPMAN,
Secy. to the Govt. of India.

H.

MANCHESTER AND THE INDIAN CUSTOMS ACT.

Chamber of Commerce, Manchester, 23rd October 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

DEAR SIR,—I beg to hand you enclosed, for the information of your Chamber, copy of letter dated 5th instant which has been addressed by the Chamber in Manchester, to the Marquis of Hartington, Secretary of State for India, on the proceedings of the Customs officials at Calcutta, in carrying out the Sea Customs Act No. VIII of 1878 in connexion with notification No. 59 of 13th March 1879, providing for the admission free of duty, of Grey Cotton goods made of yarns not finer than 30's warp and weft. I have, &c.,

THOS. BROWNING,
Secretary.

Chamber of Commerce, Manchester, 5th October 1880.

THE MOST HONORABLE THE MARQUIS OF HARTINGTON,
Secretary of State for India,
India Office, London.

MY LORD MARQUIS,—On behalf of the Manchester Chamber of Commerce, I respectfully beg to call attention to the hardship inflicted on many of its members, both Merchants and Manufacturers, by the manner in which the Customs' authorities of Calcutta have for some time past proceeded to carry out the Sea Custom's Act No. VIII of 1878 in connection with the Notification No. 59 of 13th March 1879, which provides for the admission free of duty of Grey Cotton Goods made of yarns not finer than 30s. warf and weft.

The Directors of this Chamber need hardly assure your Lordship that they have no sympathy with those who would knowingly defraud the Government by attempting to pass as duty free, goods not fairly so entitled under the above named provision, or that nothing would induce them to advocate any mitigation of penalties however severe with which such malpractices might be visited, but they desire to point out that in a trade of so great detail as the manufacturing and packing of cotton goods, it is impossible always to avoid mistakes, and that for mere inadvertence it appears to them that confiscation of the goods, or the levying of a fine equal thereto, is a course of procedure so harsh as not to accord with the treatment usually received by English people at the hands of the Government.

In illustration of the cases to which I refer, and to the liability to slight mistakes on the part of the makers and shippers of cloth, I beg to hand the accompanying communications from members of the Chamber of the highest standing, summarising instances of the procedure to which I refer, and regarding which unsuccessful appeals have been made to the Board of Inland Revenue at Calcutta. The original documents referred to will be found in that office, but I shall have pleasure in obtaining copies if desired. Many of those are already in possession of the Chamber, and have been fully considerd by a Committee specially chosen for the purpose of investigating the circumstances connected with the cases in question which, I may further remark, are only a few of the number reported.

On perusal of the summaries referred to, your Lordship, I venture to think, will share the opinion that there has been no intention to defraud the Government, and that the admixture of fine yarns in some pieces, has arisen accidentally from the fact, that the manufacturers were at one and the same time making cloths of 30s. yarns for India, and in the same weaving shed probably other cloths, very similar in appearance, but of finer yarns either to meet a continuing demand for such duty paying goods in India, or for shipment to China and other Eastern Markets.

In other cases it will be seen, as instanced in the communication from Messrs. Ralli Bros, that whole pieces, probably a few only, of dutiable goods have inadvertently been packed by the shipper amongst others intended to pass duty free.

It is particularly worthy of notice that the admixture, whether of fine yarns in the same piece, or of dutiable with other free goods in

the same package, has been to so small an extent as, if undetected, could have effected so inappreciable a saving to the manufacturer or shipper, as would make it not worth while his running the risk of attempting to defraud. I respectfully beg to sumit that even where culpable negligence is apparent the requirements of the case would be met either by levying the ordinary duty or, in instances of gross negligence, by the imposition of say double duty.

I am not unmindful of the difficulties that must often attend the arriving at a conclusion as to whether the circumstances point to a wilful attempt at fraud or to accident, and to meet this difficulty I respectfully suggest that a Committee of experts should be appointed in Calcutta, chosen from the mercantile community as having special knowledge of the trade. Such a Committee, I may remark, was at the instance of this Chamber appointed to assist in the introduction of the Trade Marks Act of 1875 with results which I believe, were alike satisfactory to the Home Government, and on the whole, to the commercial community.

Whilst suggesting the course just named for the purpose of investigating the cases of confiscation and of equivalent fines that have already occurred, and for the settlement of pending or immediate cases, I hope I may be permitted to remind your Lordship, that this Chamber foresaw the very difficulty that has now arisen so far back as March 1878, when a representation on the subject was made to your Lordship's then predecessor, the Marquis of Salisbury, and it is the special desire of the Directors that I avail of the present opportunity to impress on your Lordship the extreme desirableness of the total and early abolition of the Import duties on cotton goods in favour of which they have so often and so earnestly appealed.

I have, &c.,

BENJAMIN ARMITAGE,

President.

List of Firms interested, and whose cases in connection with the Customs officials at Calcutta are set forth by them in statements annexed hereto as appendix, *viz.*

No 1 Messrs. Lyon, Lord & Co.
„ 2 „ Williamson Brothers.
„ 3 „ Carlisle Douglas & Co.
„ 4 „ Ralli Brothers.
„ 5 „ Ralli and Mavrojani.
„ 6 „ Stewart Thomson & Co.
„ 7 „ Shaw Finlayson & Co.

Chamber of Commerce, Madras, 9th December 1880.

TO THE SECRETARY MANCHESTER CHAMBER OF COMMERCE,
Madras.

SIR,—I am desired to acknowledge receipt of your letter under date the 23rd October, enclosing for the information of this

Chamber, copy of the letter which your Chamber has addressed to the Secretary of State for India relative to the proceedings of the Customs officials in Calcutta and I am to convey to you an expression of the thanks of the members of this Chamber for that interesting communication. I have, &c.,

C. A. LAWSON,
Secretary.

I.

THE MADRAS PORTS TRUST ACT.

Proceedings of the Madras Government, Marine Department, 8th October 1880.

Read the following paper:—

From D. FITZPATRICK, Esq., Secretary to the Government of India, Legislative Department, to the Chief Secretary to Government, dated Simla, 20th September 1880, No. 996.

I am directed to forward, herewith, forty copies of the papers,* and to request that His Excellency the Governor in Council will favor the Government of India with an expression of his opinion on the provisions of the Bill, and with the opinions of such officers and other persons as His Excellency in Council may think fit to consult on the subject.

2. I am also to request that the Bill and Statement may be published in the *Fort St. George Gazette* in English, and in such other languages as His Excellency in Council may deem proper, and that the dates of such publication may be communicated in your reply.

3. The reply to this letter should be sent in by the 1st November 1880.

ORDER THEREON, 8th October 1880, No. 507.

A copy of the Bill and Statement will be forwarded to the Board of Revenue, the Chamber of Commerce, and the Collector of Sea Customs, with reference to their previous consideration of the subject in the year 1874, for the favor of their opinions at

* Bill to enhance the rate of Port dues leviable at Madras. Statement of Objects and Reasons of the above Bill.

the earliest possible date, as it will be observed that the Government of India require a reply by the 1st proximo.

2. The Master Attendant is also requested to consult the Agents of the Steam Ship Companies at Madras, and some of the leading native ship-owners, whose vessels frequent the port, and to communicate their opinions to Government as soon as possible.

3. The Bill was published in English as a Supplement to the *Fort St. George Gazette*, dated the 21st September last. Its publication in Tamil also is hereby ordered.

G. F. FORBES,
for Ag. Under Secy. to Govt.

Chamber of Commerce, Madras, 4th October 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—The Chamber have been informed that on the 10th ultimo a Bill was introduced into the Viceregal Legislative Council entitled "The Madras Port Dues Act, 1880," the chief object of which is to enhance the rate of port dues leviable at Madras in order to provide funds for meeting the interest on the cost of the artificial harbour. This Bill appears to have been referred to a Select Committee for report, but it has not been officially communicated to the Chamber. I am, however, desired to do myself the honor of representing to His Grace the Governor in Council that this Bill of the Government of India traverses, in a most important respect, the "Madras Harbour Trust Bill" of the Government of Madras. According to Section 34 of the latter Bill, the duty will be imposed on the trustees of levying tolls on vessels, goods, &c.; and by Section 35 they are invested with the power, subject to the approval of the Local Government, of increasing such tolls in order to provide for deficiency of revenue. The Chamber, therefore, are unable to understand the necessity for the Bill of the Supreme Government; and I am desired to suggest, for the consideration of His Grace the Governor in Council, that the object which it is desired to attain by the Madras Port Dues Act, 1880, may, without any addition to the Statute Book, be equally well attained by the Madras Harbour Trust Act.

2. The Chamber are induced to make this suggestion by their anxiety to protect the port of Madras against the risk of an apportionment of the interest on the cost of the Harbour that may bear with undue severity on the shipping interest. As soon as the works are completed, it will be incumbent both on the Chamber and the Government to consider the effects of tolls and dues upon the commerce of the port, and it will be for this Government to decide what proportion of the whole construction shall fall upon the shipping. It would be premature for the Chamber to trouble the Government at the present time with their views on this most important question. But it seems to them that the framing of scales of tolls, or dues, should be left to the discretion of the Local Government, which will possess means of ascertaining on the spot how such demands may foster or check commerce, such as cannot be equally well commanded by the Supreme Government. I am further directed to add that the Chamber have no record of their having ever finally assented to, or expressed a strong opinion in favor of, the levy of eight annas per ton on the shipping, although the speech of the introducer of the Bill in the Supreme Council would seem to indicate that such had been the case.

I have, &c.,

P. MACFADYEN,

Chairman.

ORDER THEREON, 15th October 1880, No. 518.

The Bill has been referred by another communication to the Chamber of Commerce for the favor of their opinion, but, with reference to the objection raised in their present letter, they will observe that the Bill is only an enabling Bill, and that it is necessary in order to give power to exceed the limit of three annas fixed by the Indian Ports Act. The Harbour Trust Bill is for a distinct, though allied, purpose. As regards the concluding sentence of the letter, the Chamber are referred to their letter, dated the 24th February 1874, to the address of Mr. McC. Webster, Acting Collector of Sea Customs.

G. F. FORBES,

for Ag. Under Secy. to Govt.

Proceedings of the Madras Government, Marine Department, 22nd November 1880.

Read the following papers :—

From O. S. CROLE, ESQ., Acting Collector of Sea Customs, Madras, to the Chief Secretary to Government, dated 20th October 1880, No. 2,350.

I have the honor, as directed in G. O., Marine Department, dated 8th October 1880, No. 507, to submit my opinion on the Draft Bill to enhance the Port Dues leviable at Madras in order to defray part of the costs entailed by the construction of the Harbour.

2. The sum required is Rs. 2,51,200, being 4 per cent. on Rs. 62,80,000 *plus* Rs. 60,000 as a sinking fund, or Rs. 3,11,000 annually. I observe that in the Preamble, as well as in the Statement of Objects and Reasons, this 60,000 rupees is erroneously described as for maintenance. Mr. Parkes has pointed out that no maintenance charges need be provided for. It is evident that after the first year the sum proposed to be raised will gradually provide for a large sum for the interest portion than will be required to give 4 per cent. on the balance unpaid It is presumed that it is intended to throw this surplus into the sinking fund.

3. It is impossible to give an opinion on the present Bill without incidentally considering the further expenditure required in order that the advantages of the harbour may be utilized to the full extent, the necessity for providing a surplus fund to meet accidents, and the proper share of the burden to be borne directly by goods landed in the port, together with the simplest and fairest method of collecting this share.

4. For this reason I should have suggested it to be preferable to have provided for the whole in one comprehensive Act, instead of merely taking powers to levy a part of the sum required by increasing the port dues levied on the shipping. This would appear to be all the more expedient, seeing that, owing to the absence of experience of conditions sufficiently similar, and of reliable data, the introduction of a complete Port Trust Act must, almost of necessity, be postponed for some considerable time, and the working of a simple enactment, such as I have suggested, would, while providing for all present necessities, supply a sure groundwork on which to base a complete Port Trust Act, when legislation in that direction may seem desirable.

5. The principle appears to be accepted that to levy the whole sum required for interest and sinking fund, viz., Rs. 3,11,000 by means of tonnage dues on vessels, would annihilate the calling trade of the port. I am aware that the Chamber of Commerce and the Master Attendant, for whose opinion on such a matter I desire to express the utmost deference, hold this view strongly.

6. At the first blush it would seem to be far the simplest plan to raise the whole sum required by an increase to the port dues, leaving the ship-owner to recover the charges from his freighter. It is objected, however, that the effect of competition would, in practice, be to prevent his being able to effect this, and that, he being so

unable, his ships would not call here. Now, I confess I cannot understand this. It is proposed to raise the dues to a possible *maximum* of a little less than three times their present amount. Supposing coal, or machinery, or labor, were suddenly to rise permanently in the same proportion, can it in reason be supposed that rates would not so arrange themselves as to throw this increased charge on the freighter? Local prices of goods might rise, trade might thereby receive a check; but no one would think of asserting that steamers or ships would desert the port as long as traders continued willing to pay the increased freight necessary to cover the rise in the shipowner's expenses. Moreover, it appears to be forgotten that the argument now advanced is, if its force is admitted at all, fatal to the present Bill for the levy of even a part of the cost of the harbour from the shipping.

7. As a matter of fact, however, the consignee will actually save in landing charges a sum at least equivalent to the amount now proposed to be raised. The days of the Masulah boat are numbered. The large lighter must take its place, and the general labor market, East Indian and Native, will be indented on for work which, owing to the absence of the surf, will no longer require that special skill, so long the mainstay of the monopoly which the boatmen and dubash have turned to such good account, and which has always been a heavy drag on the prosperity of the port.

8. The consignee then having this large saving (equal to at least 1 rupee per ton landed) in hand, I ask is it likely that there will be any difficulty in the transfer of a portion of it to the ship-owner in the shape of increased freight? And is it not plain that the trade of the country, and not the ship-owner at all, must, in the long run, pay the sum required to be raised? If the harbour is in any way to realize the anticipations formed of it, this will be done without injury. There will be a considerable margin of gain owing to decreased landing charges, and the lessening of risk and damage to goods, which are now much complained of. In this connection, I must ask the Government to refer to the evidence taken by the Breakwater Committee, of which the late Colonel Carpendale, R. E., was President in 1869. It will there be found that the representatives of more than one of the leading Mercantile Houses, as well as well-known Commanders of Vessels, distinctly admitted the fairness of raising an amount more than double that now asked for by an increase to port dues and a toll on goods More than one witness made quite light of Rs. 1-8-0 per ton—three times the now proposed *maximum*—and one witness pointedly compared this with the 15*s.* charged for port and river dues in Calcutta. Looking back on all this, what mean the doubts now expressed as to the stability of the harbour, the denials that it will confer benefit either on ships or commerce, and the forebodings of the extinction of the calling trade, if port dues be raised? These statements cannot be made seriously. It is quite clear that the Government is now committed to the construction of a harbour, which is in fact drawing near to successful completion; and it is quite safe for the shipping interest and the Mercantile community to try to secure as favourable terms as possible from the Government. The old maxim of the buyer, "*It is nought,*" is evidently not forgotten in Madras. It is therefore a thousand pities that some official guarantee

to accept the principle that the harbour must be paid for by the local trade was not obtained before the Government embarked in the project; for in that case we would not have heard anything about the claim for exemption from paying anything whatever, which is now being set up on the ground of the work being an Imperial undertaking, which should be met from the general resources of the country. The Empire has done quite enough in risking its resources on the chance of failure in execution, and this new view of Imperial liability was never advanced by the trade when the object was to induce Government to embark in the scheme.

9. The reason for which I lay stress on the propriety of laying the whole, or, at all events, a large proportion of the sum required for interest and sinking fund on the shipping interest primarily, is that it will be the first immediate gainer, if anticipations of the effect of the work be at all fulfilled. This is mainly that, owing to the creation of a sheet of smooth water, discharge and loading will be greatly facilitated, and the detention of vessels lessened. The saving to the ship in interest on capital, rates of insurance, fuel, pay of officers and crew, maintenance of passengers in port, and general charges, will then be large.

10. There are, however, many improvements required to be done to the port in order that the advantages of the harbour may be utilized to the uttermost. These must be paid for. The proper source to have recourse to for this purpose is the consignee, and I submit that it would be advisable not to indent too largely at first upon this source of income in view of the necessity, which will almost immediately arise, for further resorting to it.

11. It is evident to any one who understands the present system of landing and shipping that the main advantage mentioned above as to be derived from the completion of the harbour, will be to a large extent neutralized, unless provision is at once made for the construction of wharves, sheds, and jetties on the strand. The absence of surf will make the landing on the beach by means of Masulah boats impossible. The difficulty has already begun to be felt. If all goods are to be hoisted up the existing Pier, the traffic will become so congested, that I do not hesitate to say, it will take vessels even longer than it does at present to discharge and ship their cargo.

12. The Master Attendant has shown me a plan for providing against this by the erection of a quay along the whole length of the strand; a certain space—a sort of "hard"—would be left between the wall of the quay and the sea, on which boats could be hauled up. On the wharf thus created six large sheds or warehouses would be erected, which would be connected with as many miniatures of the existing iron pile Pier. These piers would require to be run out to about 120 feet into the sea, so as to secure the necessary depth of 5 feet at low water required for 12½ ton lighters. An iron railing all round this warf would complete the project. I am distinctly of opinion, after consulting with the Master Attendant and the Harbour Engineer, that the plan is both feasible and necessary as the natural consequence of the construction of the harbour. The present Customs yard is not sufficient for even the existing trade and condition of the

port, and I would strongly advocate the immediate undertaking of some plan such as that suggested by the Master Attendant.

13. To make this pay there must be a special landing charge on goods, and it is to provide for this that I would propose to make the tonnage dues pay for at least a large portion of the sum to be provided under the present Bill, reserving the bulk of a possible direct tax on goods to meet the cost of the above and such like improvements.

14. Now let us see what available income we have. The calculation of tonnage worked out by the late Mr. Webster and the Chamber of Commerce, and incidentally adopted by Mr. Hunter-Blair (*vide* papers printed in Government Orders*), is already somewhat out of date. The following are the exact figures for the twelve months ending 30th September 1880:—

	Tons.
Foreign Steamers	282,667
Coasting do	224,733
Foreign Ships	71,703
Native Coasting Craft	40,598

15. The Bill, as drafted, provides—

(1) for taking Madras out of the eastern group of ports;

(2) it abolishes the exemptions allowed in Column 4 for the eastern group of ports by which practically the port dues at Madras were reduced to 1½ annas a ton, although nominally 3 annas; and

(3) it makes no distinction between the coasting and a foreign steamer. In regard to the last, I am inclined to think that it is proper that no distinction should be made; but in all previous discussions it has been assumed that a coasting steamer should pay only half the port dues of a foreign steamer. It must not be forgotten, however, that coasters will derive very great advantage from the harbour, much more probably than any other class of vessel. They are now in competition with the Buckingham Canal and the Madras and South Indian Railways, in all of which Government is interested, and there are no special reasons for the grant of concession which will tend to give them an undue advantage in this competition. Again, if a sailing ship, whose freight *per ton* from Europe is possibly considerably lower than that of a coasting steamer, for a voyage from Madras to Calcutta, is to be charged at the same rate as a canal steamer, the coasting steamer should decidedly not be called on to pay less.

16. In the Bill, as drafted, the exemptions of the eastern group in Column 4, Schedule I, Part III of the Indian Ports Act, are not reproduced. I would, however, advise that in Column 4 the same provision in favor of native coasters, as is made in the case of Calcutta, be entered, and that in Columns 2, 3, and 4, the entries regarding tug steamers be reproduced for Madras. In apportioning the sums to be paid by vessels and goods respectively, I would, for the reasons above set forth, and on the assumption that the principle that the former are to pay only a portion of the sum required has been finally decided on, raise in the mean time Rs. 1,48,599 from the shipping.

* G. O., Public Works Department, dated 11th May 1874, No. 1,272.
G. O., Public Works Department, dated 16th March 1877, No. 889.

According to the tonnage above given, this would require the port dues on all steamers and on foreign-going ships to be fixed at 4 annas per ton, and on country coasting vessels at 2 annas. The maximum allowed in the Bill is, therefore, amply sufficient.

17. It may be perhaps as well here to notice the question of the collection of the remaining Rs. 1,62,401 from goods landed. Among the many plans mooted for this purpose an *ad valorem* charge is, at first sight, the simplest. But, unfortunately, it could only be applied to foreign imports, which alone are appraised. In regard to the coasting trade, the exporter is bound to enter in his shipping bill the market value of his goods, and for imports the coasting manifest is accompanied by the Shipping Bills from the port of export; so we have apparently all the information ready to hand. But it must be remembered that there is no establishment for checking these entries, which the trade now know to be required for statistical purposes alone. Immediately we begin to use them for the collection of dues, the temptation to under-valuation would require to be checked by appraisement. This would involve an expensive establishment and other objections, which put the project out of the question.

18. It seems to me that the difficulty has been surmounted* by Mr. Hunter-Blair, the late Collector of Sea Customs, than whom no one has ever possessed a better acquaintance with the affairs of the Madras Port. He made a series of elaborate calculations, the correctness of which may be relied on, of the tonnage of goods landed, which he set down after liberal deductions for possible error, at 300,000 tons *per annum*, and he proposed to collect harbour dues from registered boats and lighters, the daily number of trips made by each of which is accurately known. Hardly any extra establishment would be required for the collection of these dues, and I cannot help thinking that the present Bill might properly be made complete by the addition of a section empowering the levy of a fee not exceeding 1 rupee per ton from such boats for each trip, and giving the Governor in Council power to frame rules for the collection and management of the fund thus created. To make up the balance of Rs. 1,62,401 required for the purposes set forth in the Preamble of the present Bill, 9 annas per ton would suffice. Time and experience will show whether the increase to the revenue of the port, which is tolerably certain to follow on the completion of the harbour, will cover (1) expenditure on the improvements briefly alluded to in paragraph 12 above, (2) provision against accidents to the harbour walls, and 3 other expenses which can hardly fail to exist, or whether the proposed rate will be required to be raised. But there can be no doubt of the fact, admitted by the Chamber of Commerce, that the consignee will save by the construction of the harbour at least 1 rupee on each ton of goods landed, and it therefore follows that, supposing he, directly and indirectly, makes good the whole sum now required (Rs. 3,11,000), the net charge for the construction of the Madras Harbour will, at the very outside, and supposing no increase of trade follows on its completion, really only amount at the worst to something like 7 pies for each ton of goods landed.

* G. O., Public Works Department, dated 16th March 1877, No. 889.

Proceedings of the Board of Revenue, dated 20th October 1880, *No.* 1,573.

Read G. O., dated 8th October 1880, No. 507, communicating, for early opinion, copies of a Bill to enhance the rate of Port dues leviable at the Port of Madras.

It is not clear on what point the Board's opinion is required. In reporting on the subject in 1874, the Board were at first disposed to think that the whole amount required should be raised by increasing port dues; the Chamber of Commerce, however, pointed out that such an enhancement as this proposal would entail would be the ruin of the calling trade, and proposed that a sum of about £20,000 should be raised by tonnage dues, leaving the balance to be recovered by some form of tax on the landing and shipping of goods to be determined thereafter. The Collector of Customs and Board accepted this recommendation, and the Bill now referred for opinion is in conformity therewith, except that the rate of port dues for coasting steamers is fixed at 8 annas per ton, instead of 4 annas as proposed by the Chamber in 1874. The Board certainly think that a portion only of the funds required should be levied by enhancement of port dues, but experience alone will show to what extent they can be raised without prejudicially affecting the trade of the port. The Board are not in a position to offer any opinion on this point, nor have they any information which would enable them to check the estimated receipts and charges.

C. A. GALTON,

Secretary.

From J. H. TAYLOR, Esq., Lieutenant, R. N. R., Master Attendant, Madras, to the Chief Secretary to Government, dated 20th October 1880, No. 9,280.

I have the honor to report, with reference to G. O., 8th October 1880, No. 507, that I have obtained all the information I can elicit from Agents of Steam Ship Companies at Madras, and I find everywhere a strongly expressed opinion that the port dues should not be increased, at all events until a well-recognized advantage is derived by the vessels frequenting the Port of Madras. An alarm appears to have been caused by the mention of 8 annas dues, which all consider ruinous to the interests of Madras, the general opinion appearing to be that the ships will benefit least of all concerned.

2. Messrs. Arbuthnot and Co. consider the Bill unnecessary, and the port dues already high enough. They observe that the Port Trust Bill provides in itself for the levy of all dues, tolls, rates on goods, &c.

3. Messrs. Binny and Co. consider the Bill unnecessary, if, as they understand, a Port Trust Bill is in preparation. They are opposed to any increase of port dues on shipping.

4. Messrs. Parry and Co. consider the Bill unnecessary if a Port Trust is formed. They consider the interests of all concerned would be best served by making the working of the harbour a tentative measure under trustees, while as regards port dues ships should unquestionably be charged with reference to coasters, coast steamers, foreign steam or sailing vessels, which generally make Madras their terminal port. They think trade will be injured if a higher rate than now obtained be levied.

5. Messrs. Dymes and Co. generally disapprove of a pressure being put on ships as certain to make the harbour unpopular with owners and Captains, who might combine against it and work mischief.

6. The P. and O. Agent is the only gentleman who can be induced to use figures. He represents that his Directors already consider the port dues too high, and the Commanders have, as a body, given an unfavorable opinion about the new harbour; but if legislation be adopted, he thinks that a rate of 3 annas is the highest that could be charged, if levied whenever a vessel enters, and 5 annas if the periods of exemption at present in use are continued.

7. The Honorable J. G. Coleman deprecates any pressure being put on the ships, as freights are very low; and it is absurd to suppose that a high rate of port dues abroad can be recognized or rectified in the freight markets in England.

8. Fees for buoys, Harbour Masters, towage, &c., may be a legitimate source of income to the harbour.

9. Messrs. Spencer and Co., Messrs. McDowell and Co., Messrs. Oakes and Co., Messrs. Orr and Co., and, in fact, all importers represent that they suffer now from the compulsory system of agency, which they have no means of resisting. They consider that if the Government under its own executive, or by a Port Trust, take all landing and shipping matters into their own hands, a surplus combined of fees in lieu of present agency charges and diminished boat-hire would raise a sum probably sufficient for all purposes contemplated by the Bill without any addition to existing burdens to the trade.

10. I have exerted every means in my power to discover native ship-owners, but it seems they are averse to come forward. Most of the native vessels frequenting the port are owned in Coconada, Tuticorin, and other ports, and have only agents here. One of these agents, however, who has many vessels in charge, informed me that he thought they could stand 5 annas a *ton*.

11. This sums up the information I have been able to procure which amounts to this, that now the harbour is approaching completion and must be carried out, a reaction is taking place in the public spirit that had much to do with its commencement by Government,

All seem to expect that no extra charges will be attempted, as their several branches of trade will not stand them without endangering the interests of Madras, there being so many other outlets for produce, &c.

12. My own opinion, I beg respectfully to offer, is that the Bill should be allowed to stand at a maximum of 8 annas, in case it should be proved that such a rate is justified by future favourable results or necessities, and the local Government empowered to charge at present only 4 annas a ton on all vessels *whenever* they enter the harbour. Thus, if we take the last year as the nearest and consequently most reliable, we have these results :—

	Tonnage.	Dues.		Dues.		Dues.		Dues.	
		Rate.	Amount.	Rate.	Amount.	Rate.	Amount.	Rate.	Amount.
		As. Pies	Rs.	As.	Rs.	As.	Rs.	As.	Rs.
British vessels...	556,079	1-6*	51,361	†3	1,04,265	†4	1,39,020	†5	1,73,775
Foreign do	26,784	11	1,512	3	5,022	4	6,696	5	8,370
Country do	51,872	9	2,545	3	9,726	4	12,968	5	16,210
Total...	...	...	55,418	...	1,19,013	...	1,58,684	...	1,98,355

13. As regards the levy on goods I find, by a fairly general agreement of the Merchants I have consulted, that it costs about 2 rupees and 8 annas a ton to land and ship goods at the present time. Now with improved facilities, such as jetties and smooth water, the executive could easily land and ship at a rate of 1 rupee and 8 annas, including boat-hire (the present rate of course reduced), and Police charge and porterage, leaving 1 rupee a ton for port dues on goods, which, taking the estimated tonnage of goods for one year 285,341, *represents those figures in rupees.* If power was given in the same amendment Bill to levy a maximum of 1 rupee and 8 annas on goods, commencing with 1 rupee, the money required for all purposes might be easily raised :—

	Rs.
Port dues on shipping, at 4 annas a ton	1,58,684
Do on goods, at 1 rupee a ton	2,85,341
Total...	4,44,025

which would be sufficient if no accident to the harbour on a large scale occurred.

14. The expenses of establishment upkeep, which will have to include a Steam Tug, and most probably some dredging, will be very great.

15. I would respectfully and urgently recommend that measures be at once adopted to make a broad hard causeway on all the portion of the beach not required for boat purposes, say fifty yards from high-

* According to present exemptions calculating on the rate of 3 annas per ton.
† Full rate to be charged whenever vessels enter the Harbour.

water and up to the Municipal road, and jetties run out level with the large lighters' gunwhales, say four feet above mean sea level, and to four feet depth of water, at which boats can easily unload. The Pier process is too tedious, and the hoist of twenty feet renders quick work impossible. I submit herewith the plan formerly submitted to Government for warehouses and jetties with my letter, No. 1,441, of 20th February 1878.

16. The jetties and causeway could be at once commenced with Port funds. The warehouses might take more consideration, as they should be substantial, and do all Custom House work. Boat-hire could then be reduced to 8 or at most 12 annas a ton, and if the Boat Pay Department was restored, all the worst evils of the present system would be relieved. Mr. Thorowgood cordially approves of this plan, and could lend his assistance to carry it out.

Chamber of Commerce, Madras, 4th November 1880.

To the Chief Secretary to Government,
Madras.

Sir,—I have to honor to acknowledge receipt of the Proceedings of Government, Marine Department, 15th ultimo, in which the Chamber are referred to their letter of the 24th February 1874, to the address of Mr. McC. Webster, Acting Collector of Sea Customs, with regard to their remark in their letter of the 4th ultimo, that they had not finally assented to, or expressed, a strong opinion in favor of the levy of 8 annas per ton on shipping, which seemed to be indicated in the speech of the introducer of the Madras Port Dues Bill in the Supreme Council.

2. I am desired to mention, for the information of Government, that the Chamber did not pledge themselves by their letter of the 24th February 1874 to a definite approval of so high a rate as 8 annas per ton on foreign steamers and ships and 4 annas per ton on coasting steamers and native craft; but, principally for the purpose of illustration, they assumed on that occasion that if it were necessary to impose such dues on shipping, a sum of £20,000 might be expected to be obtained from this source, leaving £16,000 per annum to be derived from other taxation. Subsequently, on the 31st December 1874, the Chamber addressed a letter to the Private Secretary to the Right Honorable the Governor (copy of which is enclosed), in which they deprecated a crushing burthen being imposed on shipping, or any tax sufficiently heavy to discourage ships from

visiting this port. They saw no objection to an increase of 1 to 2 annas per ton on present port dues, and calculated that if 5 annas were levied on ships and foreign steamers, and 4 annas on coasting steamers and native craft, Rs. 1,32,265 would be obtained, leaving Rs. 2,30,000 to be raised by dues from other sources. They did not then, nor do they now, doubt the ability of the commerce of the port to meet a charge as large as Rs. 2,30,000 without detriment.

3. The Chamber continue to be caused anxiety by the desire of the Government of India to pass the Madras Port Dues Bill, for it seems to them that such an enactment would be superfluous if the Port Trust Bill of the Government of Madras passes into law. The Chamber consider that the creation of a local body, conversant with the peculiar requirements of this port, is necessary to apportion the burden of the cost of the harbour between goods and shipping, and it seems to them that while this object should be attained by the Madras Bill, the Bill of the Supreme Government will enable the Government at any time, without reference to the advantages offered by the harbour, to levy dues up to the maximum of 8 annas. The Chamber submit that the Government should, in a matter of this nature, be favorably disposed to be guided by the Port Trustees. The enhancement of the dues on shipping may, it seems, be effected under the Government of India's measure by a stroke of the pen, without sufficient regard being paid to the serious danger to which such enhancement may expose the trade of the port. The whole question of dues on goods and shipping cannot be decided off-hand with regard chiefly to the collection of the interest on the harbour, but it will demand the careful consideration of the Port Trustees, whose duty it will be to determine, as far as they can, what apportionment of the charge will bear least onerously on commerce, and best secure the revenue that the Government demand.

4. The Chamber wish me to take advantage of the present opportunity to remind Government of one feature of the harbour question which they apprehend may be overlooked in the consideration of the provision of the ways and means for obtaining revenue to pay the interest on the expenditure. I

allude to the Imperial character and benefits of the undertaking. So far back as the 31st July 1868, when the Breakwater project was mooted, the Chamber, in addressing the Government, referred to the absence of a Harbour of Refuge, on any part of the Coromandel Coast, and indulged in the hope that the Government would agree with them that, even "if no returns were to be looked for on the capital sunk, money would be well and wisely expended that provided a Harbour of Refuge." The Chamber further alluded to "the incalculable benefit that such a harbour should confer on the fleets that frequent these seas." In July 1872, the Chamber, with reference again to the Breakwater project, observed that they were not aware if, in the opinion of the Madras Government, the expenditure on such a work should be met from Imperial Funds, and they said that some apprehension was felt "lest it should be determined to seek to recover interest on the sum so spent by the imposition of heavy port dues." "The one advantage," they added, "of Madras is its cheapness as a port, and were heavy port dues added to all its disadvantages, the trade of the port, which it is the obvious desire and interest of the Government to foster, would be seriously prejudiced." The Chamber expressed a hope that the Government would determine to regard it "as an Imperial work to be constructed and maintained out of Imperial Funds." On the 7th November 1873, when the Government had accepted Mr. Parkes' project of a closed harbour, in lieu of the scheme for a Breakwater, the Chamber were careful to say that they fully admitted that the trade of this port should bear a fair share of the cost, but they expressed the opinion that "the many considerable advantages which the Government itself would derive from the harbour—whether as a refuge for ships in distress, as an anchorage for men-of-war, as a secure port of landing at all times and seasons troops or military stores, or as a means of improving the defences of the port—are an undoubted claim for a portion of its cost being borne by Imperial funds." To this opinion the Chamber still adhere. The harbour when completed will primarily remedy the inconveniences under which the port has hitherto labored, but secondarily it will supply the long-felt want of a Harbour of Refuge, on this great stretch of exposed

coast. The Chamber contend, therefore, that although some portion of the expense connected with structure should be borne by the shipping frequenting and the trade of this port, a not inconsiderable portion should be met from the Imperial revenues, since the advantages that are likely to be derived from the harbour will be Imperial as well as local.

I have, &c.,

P. MACFADYEN,
Chairman.

ORDER THEREON, 22nd November 1880, No. 573.

The foregoing papers will be communicated to the Government of India.

2. His Grace the Governor in Council would maintain the principle approved in the correspondence held in the years 1874 and 1875 (ending in a letter, No. 34, dated 25th June 1875, to the Secretary to the Government of India, Marine Department) for distributing the taxation requisite for raising the necessary income for the Harbour between the shipping and the cargo or boat traffic—between, in fact, port dues under the Indian Ports Act, and harbour dues under the proposed Harbour Trust Enactment—and he would therefore recommend that the Bill be proceeded with. But, on further consideration, the proposed maximum seems unduly high, owing to the increase in the tonnage visiting the port. In the year 1874 the yearly tonnage was calculated at 446,508 tons, but it is now found that the actual tonnage of the year 1879-80 as given by the Master Attendant was tons 634,735, and for twelve months ending September 1880, it is given by the Collector of Sea Customs at tons 619,701. The sum required to be annually raised is Rs. 3,11,000 (Rs, 2,51,000 for interest, and Rs. 60,000 for maintenance), so that the proposed rate of 8 annas on the present tonnage of, say, tons 620,000, would place the whole charges upon the shipping, which was never intended. Moreover, the entry of so high a rate, compared with that at other ports, would be directly calculated to deter vessels from calling at Madras, which is essentially a port of call, especially for small consignments.

3. In view of these altered circumstances, His Grace the Governor in Council considers that the maximum rate entered in the Act should not exceed 6 annas, that is double the present rate, which the above figures show would produce Rs. 2,32,500, leaving Rs. 78,500 only to be raised from harbour dues. The proposed rate would thus be ample for the security of Government, and would not frighten ship-owners away from the port.

4. The Government understand that the Bill does not abolish the exemptions allowed in Column 4 of the Schedule of the Ports Act, as it is apparently considered to do by the Collector of Sea Customs in paragraph 15 of his letter, and they do not support the proposal of the Master Attendant in paragraph 12 of his letter to make every vessel pay port dues *whenever* it enters the port. The relaxations of dues now existing should not be interfered with.

R. DAVIDSON,
Chief Secretary.

J.

THE MADRAS HARBOUR TRUST BILL.

Proceedings of the Madras Government, Legislative Department, 5th May 1880.

Read the following paper:—

From A. O. HUME, Esq., C. B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to the Secretary to the Government of Madras, dated Simla, 16th April 1879, No. 100.

In continuation of my letter of this date, communicating for the opinion of His Grace the Governor in Council, the Bill to enhance the rate of dues leviable on vessels entering the Port of Madras, I am desired to invite reference to paragraph 9 and 10 of the Resolution of the Government of India in the Financial Department, No. 2,649, dated the 30th August 1878, and to remark that the Bill constituting the Port Trust therein referred to in connection with the Madras Harbour Project, will not provide for the enhancement of port dues, as this matter rests under the terms of the Indian Councils Act, with the Council

of the Governor-General, whereas the constitution of a Port Trust similar to the bodies under that designation at Calcutta and Bombay is within the competence of the local Legislature.

2. I am accordingly to inquire what steps have been taken at Madras towards the constitution of a body of this character. The impression may perhaps have arisen from the perusal of the Financial Resolution of 30th August that the Government of India was itself about to undertake a Port Trust Bill of Madras. But I am to explain that the Council of the Governor-General could not either now or hereafter deal in a satisfactory way with the details of the local Harbour Board and its trusts, and that on this and other grounds it will certainly be much the better course to have the needful enactment passed in the Madras Council. Separate provision having been made for the enhancement of the port dues, the preparation of a measure sufficient for local purposes, and at the same time so guarded as in no way to conflict with the Indian Ports Act, should present no special difficulty; and, in order to further this object, I am to enclose the accompanying correspondence with the Government of Bombay, where a Bill of the class in question is now under the consideration of the Council.

3. The Bombay Bill has been carefully examined in connection with the Indian Port Act, with the result that its provisions were found to be consistent with that measure except in one detail regarding the right of maintaining pilots. If a Bill on similar lines were drawn at Madras with advertence throughout to the necessity for its adaptation to the law as contained in the Indian Ports Act and with the alterations which local circumstances will suggest, the requisite further authority could be conferred on the proposed Madras Port Trust by constituting them Conservators of the Port under Section 8 of the Act of 1875.

4. I am to request that the matter may receive early consideration in view of the foregoing remarks.

From the Secretary to the Government of Bombay, Marine Department, to the Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, dated Bombay Castle, 12th November 1878, No. 946.

In acknowledging the receipt of your office letter, No. 516, dated 8th ultimo, on the subject of the improvement of the financial posi-

tion of the Bombay Port Trust and its future management, I am directed to forward herewith, with reference to paragraph 13 thereof, five copies of a Bill, the draft of which has been published as a draft, which it is proposed to forward to the Legislative Department of this Government so as to avoid any loss of time in making its provisions known.

2 His Excellency the Governor in Council has thought it best to amalgamate with the Bill the present Port Trust Act with some modifications, so as to simplify the subject and have it all contained in one Act.

3. The question of guarantee has been met in Sections 34 and 35 of the Bill in a manner somewhat in accordance with the original guarantee claims of the G. I. P. and the B. B. & C. I. Railway Companies, and will, it is hoped, be found to work easily and well.

4. It will be noticed that the portion of the present Port Trust Act relating to the conservancy of the port of Bombay (Sections 76, 79, and 83) has been omitted from the draft Bill, as the Indian Ports Act of 1875 was passed since the Bombay Port Trust Act and modifies that portion. Moreover it is beyond the power of the Bombay Legislative Council to pass an Act affecting an Act of the Government of India.

5. In conclusion, I am to state that His Excellency the Governor in Council trusts that he may be favored with an early expression of the sanction of the Government of India to proceed with the Bill in the Legislative Department, as in the present state of commercial affairs in Bombay it is very desirable to close these transactions as soon as possible.

From A. O. HUME, Esq., C.B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, to the Secretary to the Government of Bombay, Marine Department, dated Calcutta, 20th March 1879, No. 73.

In continuation of the correspondence ending with Mr. Tupper's letter, No. 57, dated the 10th instant, I am directed to state that, on comparing the draft Bill received with your letter, No. 946, dated the 12th November last, with the Indian Ports Act XII of 1875, the Government of India are of opinion that Section 72 of the former, as originally submitted, requires modification to obviate conflict with the latter. Section 4 of the Act by implication gives the local Government power to authorize any person to act as a pilot, and it would be inconsistent with this power that the right of the Board of Trustees, under Section 72 of the Bill, to maintain pilots should be declared, as the clause now proposes, to vest in them exclusively.

2. I am accordingly to suggest that, with the permission of His Excellency the Governor in Council, the necessary amendment may be made if the point has not been as yet adverted to in any later stage of the measure.

From J. E. O'CONOR, Esq, Assistant Secretary to the Government of India, Department of Finance and Commerce, to the Acting Chief Secretary to the Government of Madras, dated Simla, 19th September 1879, No. 2,833.

In reply to your letter, No. 56, dated the 20th May 1879, pointing out an inconsistency between the instructions contained in my letter, No. 784, dated the 20th February 1879, and those in Mr. Tupper's letter, No. 99, dated the 16th April last, I am directed by the Governor-General in Council to say that the course indicated in the last-mentioned communication should be adopted, and I am to suggest that a Bill for the constitution of a port trust at Madras may be prepared for consideration in the local Council. It should be so framed, on the model of the similar Bills for Bombay and Rangoon, as not to conflict with the Indian Ports Act.

2. Legislation for the levy of port dues at Madras will be undertaken in the Council of the Governor-General.

Copy forwarded to the Legislative Department for information.

ORDER THEREON, 5th May 1880, No. 21.

Ordered that the draft of a Madras Harbour Trust Bill, framed on the lines of the Bombay Act, be referred to the Harbour Committee and the Chamber of Commerce for their remarks.

2. With reference to Sections 54 and 55 of the Bill, it is observed that the Government of India have before them a draft Bill raising the Madras Port Dues to a maximum not exceeding eight annas per ton on sea-going vessels of fifteen tons and upwards entering the port, and that the interest on the cost of the original Harbour Works and their maintenance will be defrayed out of the income from Port Dues.

J. DAVIES,
Asst. Secy. to Govt.

Chamber of Commerce, Madras, 9th July 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to inform you that the Chamber have had under consideration the Bill to provide Trustees for the Harbour of Madras.

It is observed that for the most part this Bill is framed on the model of the Bombay Port Trust Act 1879 with this very material difference, that whereas in Bombay the Port Trust Board

consists of five Trustees elected by the Chamber of Commerce, seven Trustees nominated by the Government, and a Chairman appointed by the Government, in the Madras Bill, Section 5, the Harbour Board is to consist of not more than twelve persons (of whom one shall be Chairman) the whole of whom shall be appointed by the Governor in Council. It is remarked that one-third at least of the Trustees so appointed by Government shall be persons connected with the trade of Madras and not holding any office under Government. The Chamber have desired me to represent that in regard to the selection of mercantile members of the Board, the Government cannot do better than follow the Bombay precedent, and concede to the Chamber of Commerce the right of selection.

In section 3, it is stated that by the word "port" is meant the Port of Madras within such limits as may from time to time be defined and notified by the Government. It appears to the Chamber desirable to take the opportunity offered by this Bill to define the Port of Madras as being that part which is enclosed by the Harbour Piers.

In the same section allusion is made to the moorings laid down by the Government, or the Trustees. The Chamber would be glad to learn from the Government if any order has been issued for obtaining these moorings, for it seems to them very expedient to arrange for these a considerable time before the probable completion of the harbour.

Section 11 refers marginally to the salaries and fees of "Chairman and Trustees," but no reference is made in the body of the section to the fees that are to be allowed to the latter. The Chamber consider that the fee awarded in Bombay of 30 Rs. to every Trustee for each meeting of the Board at which a quorum is present (and provided that no more than 30 Rs. per week shall be paid to any Trustee in the event of more than one meeting being held in such week) is not at all too liberal a compensation for the loss of time that will be necessarily entailed upon such Trustee by his attendance at meetings.

By section 15, the power of appointment, promotion, and dismissal of all officers and servants of the Board other than those named in Section 18 is vested in the Chairman. It seems to

the Chamber but right that this power should only be exercised by the Chairman with the approval of the majority of the Trustees, and if this proviso is introduced into this section, there will be no need for section 22 which defines the Chairman's obligation to observe the Board's orders under Sections 15 and 20.

Section 23 prescribes that the income of the property vested in the Board and the proceeds of all rents, tolls, and dues shall be employed in

(1). Payment of any interest which is from time to time owing by the Trustees to the Local Government or other creditor.

(2). The execution and maintenance of works undertaken, and the payment of officers and servants employed by the Trustees under this Act;

(3). And generally for the purposes of the Act.

To prevent misunderstanding the Chamber consider it should be laid down in the Bill that the salaries of officers and servants shall form the first charge upon the income available, and that the next charge shall be the suitable up-keep of the works.

In section 35 the Trustees are bound upon the requisition of the Governor in Council, to increase the tolls, dues, rates and charges for the time being in force to such an extent as will render the income of the year sufficient as nearly as may be for the payment of the interest in full. In the Bombay Act the Board may, with the sanction of the Government, "from time to time" amend or add to the scale of tolls, dues, rents, rates and charges; and it does not appear to be compulsory on the Board to give any previous notice of such modifications. But it seems to the Chamber desirable that any amendment, or addition to the scale which is to be introduced by order of the Governor in Council, or which is proposed by the Board, and approved by the Government, should not come into force until after at least three months' previous notice. This notice is necessary as merchants have to calculate expenses on certain data which should not be liable to alteration within a period sufficient to allow of the completion of transactions.

In section 68 it is provided that "the written consent of Government" must be obtained by any person other than the

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Board, or the Conservator of the Port, who shall set up any erection below high water mark in the port. The Chamber assume that this is a misprint as the Port Trust Board would appear to be the proper authority for granting such sanction.

In section 70 a person removing any goods, and with the intention of evading payment of dues to the Board, shall be punishable with fine which may extend to fifty Rupees. This penalty does not seem to the Chamber to be sufficiently heavy, and they would suggest that the maximum amount shall be raised to five hundred Rupees.

I have, &c.,

R. C. WALKER,
Vice-Chairman.

ORDER THEREON, 23rd November 1880, No. 78.

The Chamber of Commerce will be informed with reference to their letter, dated 9th July 1880, that moorings for the Madras Harbour Works have been ordered from England.

2. A copy of G. O. No. 2,048 W. dated 30th August 1880, is forwarded for their information.

G. F. FORBES,
Ag. Asst. Secy. to Govt.

Proceedings of the Madras Government, Public Works Department, 30th August 1880.

Read the following paper :—

Despatch from the Most Honorable the Secretary of State for India, to His Grace the Most Noble, the Governor in Council, Fort St. George, dated India Office, London, 22nd July 1880.

With reference to your Grace's letters, Nos. 19 A. and 29, dated 20th April and 12th June last, and to the telegrams,* I have to acquaint you that the supply of mooring apparatus for the Madras Harbour Works indented for by you is being proceeded with in this country, and that the stores will probably be despatched to Madras by the end of October next.

2. I enclose copy of a despatch which I have recently addressed to the Government of India, by which your Grace will learn that I have not deemed it advisable to delay the purchase of the stores, and that I have accordingly requested the Government of India, in con-

* From Secretary of State, to Governor of Madras, dated 1st July 1880. From Governor of Madras, to Secretary of State, dated 2nd July 1880.

sultation with your Government, to make the necessary arrangements for meeting the cost of the supply during the current financial year.

Public Works Despatch to Government of India, 29th July 1880.

The Government of Madras have recently requested the purchase in this country of mooring apparatus for the Madras Harbour Works, intimating at the same time their inability to meet the cost of the supply, about £18,000, till the 1st April 1881.

2. Mr. Parkes, the Engineer of the Harbour Works, has represented to me that the supply of the apparatus is urgent, as the harbour will in all probability be sufficiently advanced by the end of this year to afford shelter to shipping, supposing moorings are placed in it by that time.

The importance of using the harbour at as early a date as possible is obvious, and I have decided therefore on proceeding at once with the supply of the mooring apparatus, and request that your Government, in consultation with the Government of Madras, will make such arrangements as may be necessary for meeting the cost of the supply before the close of the current financial year.

3. The stores, it is expected, will be ready for shipment to Madras by the end of next October.

ORDER THEREON, 30th August 1880, No. 2,048 W.

Communicated to the Superintendent, Madras Harbour Works, and to the Marine Department.

2. The Government of India will no doubt address to Government in regard to the provision of funds for the moorings.

R. H. SANKEY, Colonel, R.E.,
Secretary to Govt., P. D. W.

K.

EXPORT BOAT NOTES.

Chamber of Commerce, Madras, 1st October 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—The Chamber have learnt from the notification of the Government under date the 11th ultimo, that, under the provisions of the Sea Customs Act of 1878, the Governor in Council has directed the suspension of the operation at this Port of so much of Section 76 as relates to Export Boat Notes. The Chamber are also informed that, in obedience to this notification, the

Collector of Sea Customs ceased to require the submission of those documents on the 20th ultimo.

I have the honor, by desire of the Chamber, to express their surprise and regret that an arrangment affecting the convenience of the export trade of Madras has been suddenly terminated without the Collector of Sea Customs following the practice of sending previous notice to, and consulting the Chamber, before recommending to the Government a modification of the Act. The Chamber are anxious to co-operate with the Government in securing the efficient and economical administration of the Custom House, and they have hitherto not been denied the opportunity of offering their opinion on the desirability, or otherwise, of changes that have suggested themselves to the Collector in view to increasing efficiency, or promoting economy. It cannot be reasonably supposed that the details of the practice of trade can be immediately grasped from all points of view by an officer whose services have heretofore been exclusively devoted to non-commercial matters; and although it is only to be expected that proposals for the modification of the law shall present themselves in different aspects to Government and to merchants, still the Government can generally hope to derive advantages from being placed in possession of the views of practical men whose interests are likely to be affected by Departmental alterations.

With regard to the notification above referred to, I am requested to say that it seems to have been issued without a complete knowledge of the value of the Boat Notes. I may, therefore, venture to trouble you with an explanation of the procedure that has hitherto governed the submission of these notes, and describe the uses to which they are put.

I will assume that a ship arrives to take a cargo of cotton and that Messrs. A. and Co. propose to ship 500 bales, Messrs. B. and Co. 600 bales, Messrs. C. and Co. 700 bales, &c. Each firm make an application to the Custom-House for permission to ship the quantity of cotton that they think it likely they will put on board. But these applications are subject to subsequent modification, so that if A. and Co. ship 400 bales instead of 500 bales, a declaration of deficiency to this extent is handed to the Custom-House after the ship's departure. Until the 27th

ultimo shippers were required to provide themselves with two Boat Notes, printed in a certain form, at their own expense. One of these notes was printed in red, the other in black ink, and upon each note was entered a statement of the number of packages, and a description of goods and marks of the produce that was actually about to be shipped on a particular day. The two notes were then presented to a clerk at the Custom-House, who signed and returned them, and endorsed the quantity of goods mentioned in the notes on the application to ship, which had previously been placed in his hands. The two notes were then delivered to the Custom-House Conicapillay on the Beach, and he kept the red one for the Custom-House, and delivered the black one to the boat-man, who handed it to the Mate of the ship. The Mate kept the black note; and, after he had received the cargo, signed and returned it to the shippers. Disputes occasionally arise about the exact quantity of cargo shipped on a certain day by a certain firm in consequence of the Mate not returning all the Boat Notes receipted, and such disputes have hitherto been easily set at rest by the comparison of the Boat Notes in the Shippers' or Ship Agent's hands with the red notes at the Custom-House. The Ship's Manifest has been made up hitherto, either by reference to the Captain's copies of Bills of Lading, or by the Black Boat Notes, or by both. The Custom-House authorities have on receipt from the Agent's of this Manifest, been able to check it by reference to the notes and the applications. It is now proposed that the Manifest shall be made up, and checked with the aid alone of the applications from shippers, and as deficiencies in these applications are not usually declared immediately a ship sails, much delay must necessarily be caused by the discontinuance of the use of the notes. It seems to the Chamber that these notes afford a handy and authoritative check upon irregularities which would be lost by their suspension, and that the great inconvenience which must be caused to shippers by the change that has been notified should be a matter of far greater consideration to the Government, than the saving of the salary of Rs. 15 per mensem which the Chamber understand is paid to the clerk at the Custom-House whose duty it is to sign and register the Boat Notes.

I am further to bring to the notice of His Grace the Gover-

nor in Council, that the Chamber have for some years published Daily Lists of Exports and Imports for their own information, and have supplied them to the Collector of Sea Customs, and that the accurate statistics that these lists have given hitherto, owing to their being based upon the Boat Notes, cannot be equally well supplied by the applications above referred to. The Government of India set so great a value upon the accuracy of statistics of commerce that the Chamber are sanguine that when His Grace the Governor in Council understands that such accuracy at the Madras Custom-House is likely to be seriously affected by the notification under reference, he will be pleased to cancel his order, and to allow a return to a system which has been in force for very many years, and has not hitherto been thought inexpedient by the Customs authorities.

I have, &c.,
P. MACFADYEN,
Chairman.

Chamber of Commerce, Madras, 7th October 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—With reference to my letter of the 1st instant, on the subject of the notification of the Government directing the suspension of the operation at this Port of so much of Section 76 of the Customs Act as relates to Export Boat Notes, I have now the honor to hand for the information of His Grace the Governor in Council, a letter that has been received by the Chamber from 70 merchants of Madras, relative to the same subject.

I have, &c.,
P. MACFADYEN,
Chairman.

Madras, 4th October 1880.

TO THE CHAIRMAN AND THE MEMBERS
OF THE CHAMBER OF COMMERCE,
Madras.

GENTLEMEN,—We the undersigned native merchants of Madras most respectfully beg to submit, that the notification issued in the *Fort St. George Gazette* dated 22nd September 1880, suspending the

issue of Boat Notes to the export cargo, although facilitates works at the onset, will at the end prove injurious to the trading community for the following reasons :—

(*a.*) The shipping Bills submitted by Traders are checked by the Boat Notes, and any difference accounted for, and thus form the best evidence for the cargo having actually been shipped.

(*b.*) The shipping Bills, either for the coasting or Foreign vessels, when checked with the Boat Notes form the best criterion on which the Manifests are prepared.

(*c.*) Thus satisfied the Collector of Sea Customs is in a position to adjust any difference that may arise between the shipper and the master of the vessel by granting certificates for the cargo actually shipped.

(*d.*) The trade would suffer much unless such standing records are maintained in the Custom House to avoid the several inconveniences and difficulties that may arise, and are daily rising in it.

2. We beg further to bring to the notice of the Chamber, that it has been hitherto the practice of consulting the opinion of Chamber in matters connected with Trade if any alteration in the practice prevailing is intended by the Customs authorities. This has, we believe, not been done in this instance.

3. Under these circumstances, we beg that you will be good enough to represent the matter and have the good old system brought back into the Custom House.

For this act of kindness we shall ever pray.

(Signed by 70 Merchants.)

Proceedings of the Board of Revenue, 15th November 1880.

Read the following letter from C. S. CROLE, Esq., Acting Collector of Sea Customs, Madras, to C. A. GALTON, Esq., Secretary to the Board of Revenue, dated 22nd October 1880, No. 2,367.

I have the honor, as directed in endorsements of the 8th and 11th instant from the Secretary to Government, Revenue Department, to submit the following remarks on the objections urged by the Chamber of Commerce to the abolition of export Boat Notes.

It seems unnecessary to trouble Government with a repetition of the reasons which induced me to recommend that their use should be suspended, as they are set forth in my letters printed in the Proceedings of the Board of Revenue,* which had been before Government. I would merely add here that

* Proceedings of Board of Revenue, dated 21st May 1880, No. 691.
Proceedings of Board of Revenue, dated 15th June 1880, No. 818.

the step advocated by me is part of a systematic scheme for the simplification of the procedure of the Customs, and the removal of unnecessary friction caused by useless restrictions, having for its object the better working of the department in the essential portion of duties imposed on it by the Act of 1878.

3. The export boat note is purely an official document, and, if it is really not required for official purposes, it seems somewhat unreasonable for the Chamber of Commerce, whose clerks have been permitted, through the courtesy of the Custom-House, to have free access to it, along with other official documents, to treat its abolition as a grievence, or insist on its retention for their alleged convenience as a right.

4. In other Custom-Houses the preparation of returns is entirely in official hands, and, if changes in administrative detail in Madras are to be hampered by interference of this nature, it will be necessary to consider whether the exceptional practice here should not be assimilated to that subsisting elsewhere.

5. The reason why the Chamber of Commerce was not consulted in this instance was simply that, although I certainly anticipated no opposition to a change, which in no way concerns the merchant, except by relieving him of the necessity for going through a useless form, I did not consider it expedient to call upon the Chamber for an opinion on a matter of pure administration. In point of fact, I am inclined to think that, in view to the maintenance of the proper independence of the Customs Department, so necessary for the efficient performance of their duties by its officers of all grades, references to the Chamber should be confined solely to matters directly affecting trade. I must observe also, with reference to paragraph 3 of their letter of the 1st instant, that to have done so in the present instance would have been productive of little advantage, as their communication shows clearly that they are under a total misapprehension of the meaning and object of a boat note.

6. To explain. The Chamber seem to think (paragraph 4) that it was the merchant's duty to fill up the boat note. It appears that a most improper irregularity had sprung up by which this actually did happen, though not in all cases. The Government kept a clerk for the special purpose of filling them in.

7. Then, in the same paragraph, it is stated that upon each boat note was entered a statement of the marks of the packages, &c., of the produce "that was actually about to be shipped on a particular day." This is utterly wide of the fact. No date for shipment was at all mentioned. The boat notes were dated and signed by the Boat Note Writer, delivered back to the shipper, who shipped one, two, three, or any number of days after, that suited himself. Six or seven days was no uncommon time to elapse before a shipper presented the boat notes to the Tidewaiter on the Beach or Pier.

8. Again, in the same paragraph, the Chamber say that disputes between ship and shipper, owing to "the Mate not returning all the boat notes receipted," have been easily set at rest by a comparison of the boat notes in the shipper's or ship's Agent's hands with the red boat notes at the Custom-House. If this was really done, it was improper, unsafe, and irregular. The only document for such purposes, recognized by the Custom-House, is the duplicate shipping bill or pass. This must accompany the goods, and is the only legal authority for the shipment. Since Export boat notes were abolished, I have issued stringent orders, which *are* now being carried out, for the tally of goods shipped with the duplicate shipping bill. This is the practice at Calcutta, where the Collector has informed me there are no export boat notes, and is strictly in accordance with the Act. Moreover, the shipper is compelled under penalty (Section 140, Act VIII of 1878, to) within five days to give information of short shipments or relanding to the Customs Collector, so the Tidewaiters are compelled to be careful, if the proper procedure is followed, as it is under the system lately introduced. As a record of shipments, the boat note has always been known in the Custom-house to be utterly unreliable, owing to the neglect of the Tidewaters to make any efficient tally of the goods. They knew that the Custom-House never made any use of the document, and that the shipping pass was alone looked to.

9. The Chamber say that much delay will hereafter occur owing to its being necessary to correct the Manifests by the shipping bills instead of by the boat notes. This is merely another way of saying that they prefer the illegal to the legal document,

for, the tallied shipping bill (in original) is now available in the Custom-House, just as soon as the red boat note used to be, and it is also equally available for reference.

10. If the Chamber's Chairman, before writing on this subject, had carefully read Chapter XIII of the Customs Act, and studied Grimley's notes on the various sections, or had he consulted me on the point, he would never have fallen into such an utter misconception of the provisions of the Act and of the effect of the notification of Government.

11. I think that I have now made it plain that there really is nothing to complain of, that the export boat note is no "authoritative check upon irregularities," and that "no inconvenience" whatever can by any possibility be caused "to shippers by the change."

12. I should have mentioned above that the person shipping at Madras must hereafter, as elsewhere, receive what is called a "Mate's receipt" on delivering goods at the vessel, which will be surrendered on the grant to him of a bill of lading for his goods.

13. There is another inaccuracy at the end of the same paragraph. The establishment hitherto exclusively maintained for these export boat notes was not one clerk on Rs. 15, as stated by the Chairman, but three clerks costing Rs. 55 per mensem. This, however, is comparatively a small mistake.

14. In the last paragraph of the letter allusion is made to the Daily List of Imports and Exports published by the Chamber. This list is prepared by two clerks sitting in my office. Immediately I discovered that, instead of the usual list of exports, there was a note to the effect that the Chamber was unable to publish the usual list of daily exports owing to the abolition of export boat notes, I sent for one of these clerks, pointed out how the thing could be done, deputed the most experienced officer in the Madras Custom-House, the Head Appraiser, to show him how to do it, and sent word through him to the Chamber's Secretary to the same effect. The Chamber seem, however, to have declined any compromise or to avail themselves of the assistance offered.

15. As for the assertion that the "accuracy of the Trade Statistics" prepared at the Madras Customs will be "seriously

affected" by the abolition of export boat notes, I can only state that, as they have not hitherto been used in any way by the Statistical Department, the Government will probably find it difficult to share this anticipation.

16. The Chairman concludes by a plea for boat notes on the score of their being a long established institution, and of their not having "hitherto been thought inexpedient by the Customs authorities" at Madras. I have never knowingly, either in Madras or elsewhere, made any recommendation without a thorough study of the subject on hand, and the Government may always rely on it that proposals broached by me are the result of conscientious hard work. I leave superior authority to decide whether in spite of the gratuitous assumption with which the Chamber's letter opens, its Chairman or I has shown more intimate knowledge of the subject. In the Custom-House we are at present doing our best to march with the times; and I must ask to be pardoned for expressing some surprise that the long-established-institution-plea, so opposed to the Chamber's rather pronounced radical proclivities in other matters, should be resorted to, and that, too, as an apology for an antiquated excresence, only when the Chamber's own interests are supposed to be threatened.

17. The above remarks cover also the ground taken up in the native petition, which is merely an echo of the first letter of the Chamber.

18. I re-enclose the original documents.

ENCLOSURES No. 1 to 3—Petitions of the Madras Chamber of Commerce and certain Native Merchants with the endorsements of Government thereon.

SUBMITTED to Government with reference to the endorsements quoted.

2. The Board consider that the Collector has fully met the objections of the Chamber to the abolition of Export Boat Notes; these documents are not required by Government either for the protection of the revenue or for statistical purposes; they were useless for the protection of goods in transit as they

never corresponded with the packages shipped in each boat, nor were the goods tallied with reference to them; and the information required by merchants for correction of manifests and by the Chamber for the compilation of the Daily List of Imports and Exports is procurable from the tallied Shipping Bills which are available for their use and are the proper checks. The Boat Note is merely a protection against seizure (*vide* note to Section 76 of the Customs Act in Grimley's compilation). The discontinuance of these documents, therefore, cannot constitute a valid grievance, and there is no reason why Government should incur an expenditure of Rs. 55 per mensem on this account. From the statement that, where the Mate did not return all the Boat Notes receipted, disputes were easily set at rest by comparison of the Boat Notes in the Shipper's or Ship Agent's hands with the red notes at the Custom-House it would appear that these documents were prepared in triplicate, one copy being retained by the Ship Agent; there is nothing to prevent these documents being still prepared by the Shippers or Ship Agents if they are of use to the trade as a record of actual shipments for comparison with the tallied Shipping Bills preserved by the Customs authorities.

C. A. GALTON,
Secretary.

Chamber of Commerce, Madras, 7th December 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I have the honor, by desire of the Chamber, to solicit the attention of Government to the Chamber's letter of the 1st October with reference to the suspension of the operation at this Port of so much of Section 76 of the Sea Customs Act as relates to Export Boat Notes, and I am requested to say that the Chamber entertain a hope that the Government will be pleased to direct, with as little delay as possible, a return to the arrangement that existed previous to the 28th September with regard to the submission of those documents.

I have, &c.,
P. MACFADYEN,
Chairman.

Proceedings of the Madras Government, Revenue Department, 14th December 1880.

Read the following papers:—

Letters from the Chamber of Commerce dated 1st and 17th October 1880, regarding revival of Export Boat Notes, Madras Port.

Proceedings of the Board of Revenue, dated 15th November 1880, No. 1,738, submitting to Government with remarks, report of Collector of Sea Customs, Madras, on the objection of the Chamber of Commerce to the abolition of Export Boat Notes.

ORDER THEREON, 14th December 1880, No. 1,717.

The Government, as at present informed, see no need for modifying the order under which the notification referred to by the Chamber of Commerce was issued.

C. G. MASTER,
Secy. to Government.

L.

ADMINISTRATION OF ESTATES.

Proceedings of the Madras Government, Judicial Department, 13th July 1880.

Read the following paper:—

From F. C. DAUKES, Esq., Under Secretary to the Government of India, Home, Revenue and Agricultural Department (Judicial), to the Chief Secretary to Government, dated Simla, 25th June 1880, No. 671.

I am directed to acknowledge the receipt of your letter, No. 2,423, dated the 19th September last, forwarding a communication from the Chairman, Chamber of Commerce, Madras, relating to a practice whereby Agency Houses charge a commission for administering to the estates of deceased persons. With this communication was transmitted copy of a memorial presented to the Governor-General in Council by certain Merchants and Bankers in Calcutta with a remark that the conclusions arrived at therein were unanimously shared by the Chamber of Commerce.

2. In reply, I am to forward, for the information of His Grace the Governor in Council, and for communication to the Madras Chamber of Commerce, copy of this Department's letter No. 500, dated the 18th ultimo, addressed to Messrs. Roberts, Morgan, and Co., Solicitors, who submitted to the Governor-General in Council the memorial above mentioned.

From C. BERNARD, Esq, C. S. I., Officiating Secretary to the Government of India, Home, Revenue and Agricultural Department (Judicial), to Messrs. ROBERTS, MORGAN, AND Co, Solicitors, dated Simla, 18th May 1880, No. 500.

I am directed to acknowledge the receipt of your letter, No. 5,715 dated 22nd July 1879, forwarding a memorial on the subject of the action taken by the Government of India with regard to Section 56 of the Administrator-General's Act No. II of 1874.

2. In reply I am directed to inform you that the memorial has been laid before the Governor-General in Council, and that His Excellency in Council, after a careful consideration of the several allegations made therein, regrets his inability to comply with the prayer put forward by the memorialists. In the opinion of the Governor-General in Council, the provision contained in Section 56 of the Administrator-General's Act, which prohibits any person, other than the Administrator-General acting officially, from receiving or retaining any commission or agency charges for anything done as executor or administrator under any probate or letters of administration, is a good provision which, in the interests of the public, and especially in the interests of those classes who cannot defend themselves in such matters, should be maintained. Nor can His Excellency in Council see sufficient reason for reconsidering the decision of the Government of India in regard to any infringement of the provision contained in this section, which decision was set forth in the letter from the Home Department to the Administrator-General of Bengal, No. 309, dated 13th March 1879.

ORDER THEREON, 13th July 1880, No. 1,648.

Communicated to the Chamber of Commerce with reference to G. O., dated 19th September 1879, No. 2,422.

G. STOKES,
Ag. Asst. Secy. for Chief Secy.

Chamber of Commerce, Madras 7th August 1880.

TO THE SECRETARY BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I am desired by the Chamber to ask you to be so good as to state whether it is the intention of your Chamber to

take any, and what action, with regard to the refusal of the Government of India to comply with the prayer of the Calcutta Memorial on the subject of Section 56 of the Administrator General's Act No. II of 1874.

A copy of the letter that was addressed by the Government of India on the 18th May to Messrs. Roberts, Morgan and Co. on the subject was communicated to this Chamber, and it is observed with regret, that the Governor-General in Council contends that the law prohibits any person, other than the Administrator General in his official capacity, from receiving any remuneration for doing anything as executor, or administrator, under any probate, or letters of administration.

This Chamber continue to think that if a man voluntarily appoints an executor, and gives him what he considers a fair remuneration for carrying out the provisions of his will, it is not, or it should not be, competent to any Government to step in, and say that such man's wishes shall be set aside, and that the work shall be done by the private executor for nothing, or by the official administrator for a definite charge. It must often happen that the friends of a deceased man have good reason to believe that his estate will be realised more advantageously by private than by official agency, and in such case they would naturally prefer to pay a fair remuneration for the work in order to enlist the services of such private agency. But the Government would seem to hold that it is reasonable that they should exercise the right to say, that the friends of the deceased person must either engage that private agency for nothing, or pay an official twice the commission which would be thought sufficiently remunerative by a private administrator for the work. This seems to the Chamber so unreasonable an infringement of private liberty, and so inexpedient an attempt to bring business to the official referred to, that the Chamber will be glad to hear that your Chamber contemplate memorialising the Secretary of State for redress.

I have, &c.,

C. A. Lawson,
Secretary.

Bengal Chamber of Commerce, Calcutta, 10th September 1880.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—I am instructed to acknowledge the receipt of your letter of the 7th of last month, inquiring if it is the intention of this Chamber to take any action consequent on the refusal of the Viceroy and Governor-General to comply with the prayer of a Memorial addressed to His Excellency on the subject of administrations to Indian estates, and especially with reference to the 56th Section of the Administrator General's Act No. 2 of 1874.

The Committee of this Chamber direct me to say that Messrs. Roberts, Morgan & Co. have been so good as to furnish them with copies of the Memorial and reply referred to, and that these documents have come before them for the first time, as they had no previous official knowledge of the movement in question, which appears to have originated with a limited number of persons affected by the prohibitive provisions of the section appealed against.

The subject of your reference will have the Committee's attention; but I am directed to point out that the most urgent representations were simultaneously made some years ago by the Chambers of the three Presidencies against such provisions of the Act, then in force, as were calculated to prejudice the interests of estates, and especially the rights of non-official executors and administrators, who were barred by statute from receiving any remuneration for their services in those capacities.

The obnoxious clauses were retained nevertheless; and the Administrator General's Act of 1874 is the survivor of the various repealed Acts since 1849.

On a review of the previous representations of all the Chambers, and of the carefully prepared Memorial now before them, it appears to the Committee that the subject has been dealt with in the most exhaustive manner; that it would be difficult to employ stronger or more cogent arguments in support of the views submitted for the consideration of Government; and that the recent answer to the Memorialists leaves

scarcely any room for hope that any renewed appeal will meet with success.

The only ground upon which the Committee think they may take action, concurrently with your own Chamber and that of Bombay, is that the Memorial proceeded from a comparatively small number of persons interested in a matter which concerns not only themselves but the community generally, and that a combined movement on the part of all the Chambers may possibly have greater weight and influence.

Viewing it in this light the Committee are therefore of opinion that the co-operation of the Chambers at Madras and Bombay is essential, and if an approval of this course is expressed, the Committee will undertake to draw up an Appeal for consideration, and subsequent submission to the Government, either as a joint or several representation of the three Chambers as may be hereafter decided upon.

I have, &c.,
H. W. I. Wood,
Secretary.

Chamber of Commerce, Madras, 4th October 1880.

To the Secretary Bengal Chamber of Commerce,
Calcutta.

Sir,—In reply to your letter of the 10th ultimo which I have laid before this Chamber, I am directed to say that this Chamber will be happy to co-operate in a joint representation to the Government of India on the subject of administration of Indian estates, and especially with reference to the 56th Section of the Administrator General's Act of 1874.

I have, &c.
C. A. Lawson,
Secretary.

Bengal Chamber of Commerce, Calcutta, 30th October 1880.

To the Secretary Chamber of Commerce,
Madras.

Dear Sir,—Simultaneously with the receipt of your letter of the 4th instant, the Committee of this Chamber were in pos-

session of the reply from the Bombay Chamber, who wrote to say that they had decided not to move in the matter of the Administrator General's Act, as it did not seem to them to be one in which mercantile interests were involved.

This determination on the part of the Bombay Chamber materially modifies the condition upon which my Committee expressed their willingness to make a joint representation to Government; and in the absence of combined action on the part of all the Presidency Chambers they are of opinion that it is not expedient to address the Government on the subject.

The Committee have come to this conclusion, however, with less reluctance, as they are informed that the original memorialists are making efforts, through their London correspondents, with the view of obtaining from the Secretary of State a reversal of the Resolution arrived at by the Governor General in Council. I am, &c.,

H. W. I. WOOD,
Secretary.

Chamber of Commerce, Madras, 29th November 1880.

TO THE SECRETARY BENGAL CHAMBER OF COMMERCE,
Calcutta.

SIR,—I am directed to acknowledge receipt of your letter of the 30th ultimo, from which this Chamber have learnt with regret that the Bombay Chamber having declined to move in respect to the Administrator General's Act, your Committee have resolved that it is inexpedient to address the Government of India upon the subject of administration of Indian estates, and especially with reference to the 56th Section of the Act.

I am to add that it will be a source of satisfaction to this Chamber to be afforded the opportunity of co-operating with, and supporting the efforts of the original memorialists to which you refer in the last para. of your letter under reply.

I have, &c.,

C. A. LAWSON,
Secretary.

M.

REGISTRATION OF LANDED PROPERTY.

Madras, 12th April 1880.

To the Chairman Chamber of Commerce,
Madras.

Sir,—We beg to direct the attention of the Chamber to certain provisions of the Registration Act in regard to landed property which appear to require amendment.

Section 30 (b) is worded as follows:—

"The Registrar of a District including a Presidency Town, "and the Registrar of the Lahore District, may receive and "register any document referred to in Section 28, without "regard to the situation *in any part of British India* of the "property to which the document relates"

and Section 67 provides:—

"On any document being registered under Section 30, "clause (b), a copy of such document and of the endorsements "and certificate thereon, shall be forwarded to every Registrar "within whose district any part of the property to which the "instrument relates is situate, and the Registrar receiving "such copy shall follow the procedure prescribed for him in "the first clause of Section 66."

The provisions of Section 66 here referred to are as follows:

"On registering any non-testamentary document relating "to immoveable property, the Registrar shall forward a memo- "randum of such document to each sub-Registrar subordinate "to himself in whose sub-district any part of the property is "situate."

It would appear that the procedure under Section 67 and 66 is imperative—and it might we think be fairly agreed that registration is not complete until that procedure has been completed. But apparently this point has not received necessary attention from the framers of the Act, and no provision is made for cases whereby neglect, whether accidental or inten-

tional, notice of an encumbrance upon landed property registered either in the Presidency Chief Registrar's Office, or in the office of the Chief Registrar of some other Presidency, has not been forwarded to the Sub-Registrar of the District in which the property is situated.

The Chamber will not fail to notice the risk incurred under this defect in the Act. We have already experienced an instance of it. Some dispute having arisen as to the terms of a mortgage held by parties in England over property at Vythery, we applied to the Vythery registry for a copy of the deed, and found that no record of the encumbrance appears in that office. On enquiry we learnt that the deed was registered years' ago at Bombay.

We think the Chamber should represent the defect to Government, and request amendment. Registrars should either be bound under heavy penalty to carry out the provisions of Section 66 and 67, or else registration at any office other than that of the District where the property is situated should be treated as incomplete until supported by certificate from such District officer, that particulars of the encumbrance have been duly entered on his registry.

We have, &c.,

ARBUTHNOT & Co.

Chamber of Commerce, Madras, 13th May 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Fort St. George.

SIR,—I am desired to bring to the notice of His Grace the Governor in Council some provisions of the Registration Act with regard to landed property which seem to the Chamber to require amendment.

2. The Act (Section 30-*b*) allows the Registrar of a district including a Presidency town, to receive any document, referred to in Section 28, without regard to the situation to any part of British India of the property to which such document relates. It provides (Section 67) that on any document being so registered, a copy thereof and of the endorsement and certificate

thereon, shall be forwarded to every Registrar within whose district any part of the property to which the instrument relates is situated, and the Registrar shall (Section 66) forward a memorandum of such document to each Sub-Registrar subordinate to himself in whose sub-district any part of the property is situated.

3. But the Act fails to make provision for cases where, by neglect, whether accidental or intentional, notice of an encumbrance upon landed property registered has not been forwarded to the Sub-Registrar of the district in which the property is situated; and the Chamber are of opinion that it should be obligatory on the person registering the document elsewhere than in the district where the land is situated to see that the registration is legally completed everywhere. It is probable that, under existing circumstances, the Government would be legally responsible for losses arising out of the laches of their Registrars.

4. The Chamber beg that this expression of their views may be brought under the notice of the Government of India in the Legislative Department. I have, &c.,

P. MACFADYEN,
Chairman.

Referred to the Inspector-General of Registration for his remarks.

R. DAVIDSON,
Chief Secretary.

Ootacamund, 17*th May* 1880.

Proceedings of the Madras Government, Judicial Department, 9*th July* 1880.

Read the following paper :—

From the Hon'ble V. RAMIENGAR, C. S. I., Inspector-General of Registration to the Chief Secretary to Government, dated Madras, 18th June 1880, No. 204.

In acknowledging the receipt of your docket, dated 17th ultimo, No. 1,095, on the letter from the Chamber of Commerce,

herewith returned, I have the honor to forward correspondence* between this office and Messrs. Arbuthnot & Co.

2. If the Government refer to Sections 64, 65, 66, and 67 of the Indian Registration Act, they will find that the law provides for a complete record of every registration affecting immovable property being maintained in every district and Sub-Registry Office throughout British India in which any part of the property affected by the document registered is situated. And these provisions of the Act are supplemented by rules† passed by the local Governments for ensuring, as far as possible, the transmission and receipt of the memoranda and copies required to be forwarded for the purpose of such record being maintained. The only instance which has come to the notice of this office since its first establishment, in which the requirements of the law in respect of the transmission of the record of registration have not been satisfied, is that reported by Messrs. Arbuthnot and Co. I addressed the Inspector-General of Bombay regarding the omission complained of, and enclose his reply. I have also ascertained from the Registrar of Malabar that no record of the mortgage registered at Bombay was received in his office, or transmitted to the local Sub-Registry Office at Vayitri.

3. Of course, such omissions on the part of Registering Officers must occasionally occur, notwithstanding the most stringent rules, and can be corrected only after they have occurred, and come to light. Meanwhile, much mischief may have been done by parties being misled by the incompleteness of the records.

4. The remedy proposed by the Chamber is that it should be made obligatory on the person registering a document elsewhere than in the district in which the land is situated, "to see that registration is legally completed everywhere." I presume

* From Messrs. Arbuthnot and Co., dated 2nd April 1880.
To Messrs. Arbuthnot and Co., dated 3rd April 1880, No. 96.
From Messrs. Arbuthnot and Co., dated 6th April 1880.
To Messrs. Arbuthnot and Co., dated 8th April 1880, No. 104.
From Messrs. Arbuthnot and Co., dated 12th April 1880.

† *Vide* Madras Rule 48.
Bengal Rules 71—76.
North-West Provinces Rules 21—26, and 51.
Bombay Rules not on record.
Vide Bombay Circular Code, Nos. 73—77.

in the first instance, before a record of it can be transmitted to other offices. I very much doubt whether the mere transfer of the obligation to send the record from responsible Government servants to private individuals, who are often ignorant, would prevent such omissions as those complained of, and I see great practical difficulties in giving effect to the Chamber's proposal. But the question raised is one of importance, and should be brought to the notice of the Legislative Department of the Government of India in view to its being considered in connection with any contemplated revision of the Act.

5. I have asked the Inspector-General of Bombay to forward, without delay, to the Registrar of Malabar a copy of the mortgage registered in his office in 1868, but I would suggest that the omission to do so in the first instance be brought to the notice of the Bombay Government.

From Messrs. ARBUTHNOT AND Co., to the Inspector-General of Registration, Madras, dated Madras 2nd April 1880.

We have to bring to your notice an apparent defect, which may occasion in certain cases serious injury to private interests in the provisions of the Registration Act.

2. Under Section 30-*b* of Act III of 1877 the Registrar of a district, which includes a Presidency town, has it in his power to register any document affecting immovable property situated *in any part* of British India (a similar power was contained in the older Acts), and there does not seem to be any obligation upon him to report to the Registrar or Sub-Registrar of the district, in which the property is situated, the fact of an encumbrance having been effected upon the property.

3. In a recent instance, where we had in contemplation the acceptance of a charge upon the "Hump" Coffee Estate near Vayitri, we had search made in the local registry and found there was no evidence of any encumbrance, but we were otherwise informed that a mortgage was effected some years ago and is still in force, which was registered at *Bombay* under the powers referred to above. You will understand that the security contemplated by a Government system of registration of encumbrances on landed property becomes of little value if no record is kept in the local Registers. If encumbrances may be placed on property in Southern India under registration in Bombay or Calcutta without any notice thereof appearing in local registers, a direct inducement is offered to dishonest parties to take advantage of this privilege to the prejudice of men less versed in the subtleties of legal enactments, who would rely on the absence of any record of encumbrance in the registry where it should naturally appear.

4. The point is of great importance, for it affects the very essence and intention of the registration system, and we trust you will at once give it your special attention with the object of having the flaw in the Act amended.

From the Hon. V. RAMIENGAR, C.S.I., Inspector-General of Registration, Madras, to Messrs. ARBUTHNOT AND Co., dated Madras, 3rd April 1880, No 96.

In acknowledging the receipt, to-day, of your letter of the 2nd instant, I have the honor to refer you to Section 67 of the Indian Registration Act.

From Messrs. ARBUTHNOT AND Co., to the Inspector-General of Registration, dated Madras, 6th April 1880.

We have to acknowledge your letter, No. 96, of 3rd instant.

Are we to understand that you consider Section 67 imperative, and that *registration is incomplete until its provisions have been complied with?*

If so, within what time must those provisions be carried out?

From the Hon. V. RAMIENGAR, C. S. I., Inspector-General of Registration, Madras, to Messrs. ARBUTHNOT and Co., dated Madras, 8th April 1880, No. 104.

I have to acknowledge the receipt of your letter of the 6th instant.

2. You stated in your letter of the 2nd idem that in the case of registrations under Section 30 (*b*), there did not seem to be any obligation upon the Registering Officer concerned to report to the Registrar of the District, in which any part of the property is situated, the fact of an encumbrance having been created upon the property. In reply, I called your attention to Section 67 of the Registration Act which imposes such an obligation. The section *requires* a certain act to be done, and is so far imperative—certainly not less imperative than Section 64, 65, and 66, which impose a precisely similar duty in the case of other registrations.

3. With regard to your inquiry whether I consider registration is incomplete until the requirements of Section 67 have been complied with, I can only refer you again to the Act itself, to Sections 61 and 67. The law very properly requires the transmission of memoranda and copies to other districts and sub-districts in which any part of the property is situated *on* the completion of registration, not before.

From Messrs. ARBUTHNOT AND Co., to the Inspector-General of Registration, dated Madras, 12th April 1880.

We have to acknowledge your letter of 8th instant.

2. It appears to us that the "obligation" under Section 67 is valueless. If the Registrar neglects to comply with it, the district registry will not show any record of the encumbrance. In fact as the Act now stands, no purchaser, or mortgagee, of landed property

in British India can be sure of his title until he has searched the registries of the three Presidency towns.

3. The Chamber of Commerce will be asked to address Government on the subject, and we invite your co-operation for the amendment of the Act.

From Major A. B. PORTMAN, Acting Inspector-General of Registration and Stamps, to the Inspector-General of Registration, Madras, dated Bombay, 6th May 1880, No. 789.

With reference to your letter, No. 115, of the 15th ultimo, I have the honor to forward herewith copy of letter, No. 257, of the 4th instant, from the Registrar of Bombay, from which it will appear that a mortgage deed relating to Hump Coffee Estate was registered in April 1868 in the office of the then Registrar-General of Assurances, Bombay, under Section 78 of Act XX of 1866—a copy of the above deed should have, as a rule, been sent to the Registrar of Calicut, in whose district the property referred to in the document was situated. But I am sorry there is nothing on the record to show that it was so despatched; I request therefore that a reference be made to the Registrar of Calicut on the subject, and in the event of a copy not being filed on his records, and on hearing from you to that effect, a fresh copy will again be forwarded from this office.

From BYRAMJEE DADABHOY, Registrar of Bombay, to the Acting Inspector-General of Registration and Stamps, dated Bombay, 4th May 1880, No. 257.

In returning the original letter from the Inspector-General of Registration, Madras, No. 115, dated the 15th ultimo, together with its accompaniment from Messrs. Arbuthnot and Co. of the 2nd idem, forwarded under your endorsement, No. 685, of the 29th ultimo, I beg respectfully to state that a deed of mortgage, executed between the East India Land Credit and Finance Company, Limited, of the first part, George Langford Young of the second part, Alexander Remington of the third part, and Alexander Randall of the fourth part, under date the 14th March 1868 regarding "Hump" Coffee Estate, appears to have been registered by the late Registrar-General, Mr. Arbuthnot, on the 8th April of same year. But whether it is the same document contemplated in Messrs. Arbuthnot and Co.'s letter, I am unable to say, as no names of the parties concerned are given therein, although the names of the coffee estate, as mentioned in the letter, and the copy of the mortgage correspond. Section 31 of Act XX of 1866 then in vogue gave power to the Registrar-General to register documents without reference to the situation of property, and Section 78 of the same Act required a copy of every instrument so registered by the Registrar-General to be sent to the Registrar in whose district any part of the property affected by the document was situate, and the Registrar receiving such copy was required to forward a copy of the document to each Sub-Registrar subordinate to him in whose jurisdiction the property was situated. There is nothing to show on the records transferred to this office in July 1871, when Act VIII of 1871 came into force, that the

required copy of the above document was sent to the Registrar of Calicut from the Head Office.

Forwarded (with copy of Messrs. Arbuthnot and Co.'s letter) to the Registrar of Malabar for his remarks.

V. RAMAIENGAR,
Inspector-General of Registration.

ORDER THEREON, 9th July 1880, No. 1,616.

The Chamber of Commerce, Madras, bring to notice some provisions in the Registration Act with regard to the Registration of landed property with seem to them to require amendment.

2. The Inspector-General of Registration submits the correspondence which has taken place on the subject, and states that the proposal of the Chamber of Commerce, that it should be made obligatory on the person registering a document elsewhere than in the district in which the landed property is situated "to see that registration is legally completed everywhere," is one of importance, and should be brought to the notice of the Legislative Council of the Government of India for consideration in connection with any future revision of the Registration Act.

3. It appears to His Grace the Governor in Council that the only remedy, to prevent an omission such as that brought to notice, is to enact that Registration of landed property shall be in the district itself in which the property is situated, and not elsewhere. Parties concerned can always appear and act by attorney.

4. Copy of these Proceedings will be remitted to the Government of India, Legislative Department, for consideration.

5. Copy will also be forwarded to the Government of Bombay in view to their taking such notice as they may deem necessary in regard to the omission of the Registration Department there to send a copy of the deed registered in Bombay to the Registrar of Calicut.

R. DAVIDSON,
Chief Secretary.

Chamber of Commerce, Madras, 7th August 1880.

To the Chief Secretary to Government,
Fort St. George.

Sir,—With reference to Proceedings of Government, Judicial Department, 9th ultimo, No. 1,616, I have the honor to state that the Chamber are glad to learn that, in the opinion of His Grace the Governor in Council, it should be provided by enactment that the registration of landed property shall be in the district itself in which the property is situated, but as they think that it would be well not to limit registration to such district, they would suggest that the registration should be allowed either in the Presidency town, or in the district in which the land is situated, or in both. I have, &c.,

P. Macfadyen,
Chairman.

Order thereon, 14th August 1880, No. 1,971.

His Grace the Governor in Council considers the proposal in paragraph 3 of G. O., dated 9th July 1880, No. 1,616, that registration of landed property shall be in the *district*, parties appearing by Attorney if more convenient, is the best safe-guard.

R. Davidson,
Chief Secretary.

Proceedings of the Madras Government, Judicial Department, 14th August 1880.

Read the following paper:—

From J. Nugent, Esq., Acting Secretary to the Government of Bombay, Revenue Department, to the Chief Secretary to Government, dated Bombay Castle, 6th August 1880, No. 4,080.

I am directed to acknowledge the receipt of your communication, No. 1,618, dated 9th July 1880, forwarding copy of the Proceedings of the Government of Madras on the subject of the amendment of certain provisions of the Registration Act, with a view to this Government taking such notice as they may deem necessary of the omission of the Registration Department in Bombay to send to the Registrar of Calicut a copy of the mort-

gage deed relating to the Hump Coffee Estate, registered in Bombay in the year 1868.

2. In reply, I am directed to state, for the information of the Government of Madras, that this Government regret the omission, but that as Mr. Arbuthnot, who was Registrar-General in 1868, has retired from the service, it is not possible now to call on him for any explanation.

ORDER THEREON, 14th August 1880, No. 1,976.

Communicated to the Chamber of Commerce, Madras, and the Inspector-General of Registration.

R. DAVIDSON,
Chief Secretary.

Proceedings of the Madras Government, Judicial Department, 18th November 1880.

Read the following paper:—

From the Hon. C. GRANT, C. S., Officiating Secretary to the Government of India, Home, Revenue, and Agricultural Deparment (Public), to the Chief Secretary to Government, dated Simla, 28th October 1880, No. 1,660.

I am directed to acknowledge the receipt of your endorsement, No. 1,617, dated the 9th July last, transmitting Proceedings of the Government of Madras on the subject of certain provisions of the Indian Registration Act III of 1877, with regard to the registration of landed property, which seems to require amendment.

2. In reply, I am to say that the point is one which can properly be considered on any future occasion when the Registration law may come under revision; but the Governor-General in Council, as at present advised, is of opinion that no sufficient reason has been shown for having recourse to immediate legislation, inasmuch as only one instance has been brought to notice in which a registering officer failed to comply with the requirements of the law, and no similar representation has reached the Government of India from any other Province. In order, however, to prevent the occurrence of such omissions, an executive order has been issued to Local Governments and Administra-

tions which, it is hoped, will sufficiently meet the requirements of the case.

From the Hon. C. GRANT, C.S., Officiating Secretary to Government of India, Home Revenue and Agricultural Department (Public), to the Local Governments and Administrations, dated Simla, 28th October 1880, No. 47-1651—59.

I am directed to invite attention to the following provisions of the Indian Registration Act (III) of 1877. Section 30 (*b*) of the Act empowers the Registrar of a district, including a Presidency town, to receive and register any document* referred to in Section 28, without regard to the situation (in part of British India) of the property to which such document relates. Section 67 provides that, on any document being so registered, a copy thereof, and of the endorsements and certificate thereon, shall be forwarded to every Registrar within whose district any part of the property to which the instrument relates is situated, and the Registrar shall, under Section 66, forward a memorandum of such document to each Sub-Registrar subordinate to himself, in whose sub-district any part of the property is situated.

2. A case has recently been brought to the notice of the Government of India in which, after effecting the registration of a deed under Section 30 (*b*) of the Act, the Registrar who originally registered the deed failed to comply with the directions contained in Section 67 of the Act, in respect of the transmission of the record of registration to every Registrar within whose district any part of the property to which the instrument related was situated. The necessary result of this omission was that the record of registration remained incomplete, and failed to show existing encumbrance on the property to which the document registered related.

3. In order to prevent the recurrence of such omissions, I am directed by the Governor-General in Council to suggest that the special attention of the Inspector-General of Registration may be drawn to the matter in view to the issue of stringent instructions for a strict compliance with the requirements of the law.

ORDER THEREON, 18th November 1880, No. 2,677.

Communicated to the Chairman, Chamber of Commerce, Madras, and to the Inspector-General of Registration, in continuation of G.O., dated 9th July 1880, No. 1,616.

R. DAVIDSON,
Chief Secretary.

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* Documents relating to immoveable property.

N.

BELLARY-HOSPET RAILWAY.

Chamber of Commerce, Madras, 8th November 1879.

To the Secretary to Government,
Public Works Department.

Sir,—The Chamber observe from the Proceedings of Government, dated 9th September 1879, No. 747 R., that it is out of the power of the Madras Government to provide Provincial Funds for completing the works on the line of railway between Bellary and Hospet.

The Chamber have desired me to say that they think it a matter for regret that a work which is calculated to increase the traffic on the Madras Railway and to mitigate the evils of any future famine in the Bellary District, should be allowed to fall into decay for the want of the necessary funds for its completion. The Dhond and and Manmad line, like that from Bellary to Hospet, was a famine work, and has been completed and opened for traffic. The Chamber understand also that a line from Sholapur to Dharwar has been sanctioned, if not actually commenced. The Chamber would be glad to know how it is that, while funds can be found in the Bombay Presidency for works of this character, they are refused for works of equal importance in this Presidency. I have, &c,

P. Macfadyen,
Chairman.

Proceedings of the Madras Government, Public Works Department, 25th February 1880.

Read the following papers:—

From the Consulting Engineer for Railways, Madras, 15th January 1880.

From A. M. Saunders, Esq., Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 13th January 1880.

With reference to your endorsement No. 1,036 of the 26th of September 1879, and to the enclosed copy of the 11th para-

graph of a letter from the Board of Directors, No. 652, dated London, the 12th of December 1879, I have the honor, by desire of the Board, to request that you will be so good as to ascertain and communicate to me the views of the Government as to the propriety of application being made to the Secretary of State for sanction to the raising, by the Company, of the funds required to complete the works on the line of railway between Bellary and Hospet.

2. The Directors point out that the expense of finishing this section would be but small, and that the profits to be realised by working it would in all likelihood be considerable.

Extract from a letter from the Secretary, Madras Railway Company, No. 652, dated London, the 12th December 1879.

"PARAGRAPH 11.—From the order of Government, No. 747 R, dated 9th September 1879, embodied in paragraph 37 of 1386, the Board learn that Government are unable to provide Provincial Funds for completing the works on the line of railway between Bellary and Hospet. As the expense of finishing the section would be but small, and as the profits to be realised by working it would in all likelihood be considerable, the Board desire that you will ascertain the views of Government as to the propriety of application being made to the Secretary of State for sanction to the raising, by the Company, of the funds necessary for the purpose."

SUBMITTED for the consideration of Government.

2. The probable cost of completing the line between Bellary and Hospet in a temporary manner, and of laying it with rails weighing 52 lbs. to the yard, so as to allow of its being worked by the Madras Railway Company for slow goods traffic, was estimated at about 10½ lakhs in November 1878. *Vide* Proceedings of Government, dated the 29th November 1878, No. 1,210 R.

3. There can be little doubt that the returns to be expected from the opening of the line would give a fair return upon that expenditure. *Vide* the figures quoted in the letter to the Government of India, dated 24th June 1878, No. 584 R.

4. But in their letter dated the 26th February 1879, No. 885 R., the Government of India expressed their desire that the proposed scheme for completing the Bellary-Hospet line on the 5½ feet gauge "should be held in abeyance, until such time

as it can be taken up with the Carwar Railway system, of which this short length forms an outlying section." *Vide* Proceedings dated 22nd March 1879, No. 317 R.

From the Consulting Engineer for Railways, Madras,
21st January 1880, No. 19.

ORDER THEREON, 25th February 1880, No. 143 R.

The Government are of opinion that the completion of the section of railway between Bellary and Hospet is of very great importance to the Bellary District, as well as to the traffic of the Madras Railway. Looking to the fact that a large portion of the work has been executed, which will only deteriorate by the line being left in an incomplete state, they are of opinion that it is desirable to accept the offer of the Madras Railway Board to raise the funds required for completing the line, unless the Government of India prefer to sanction its being completed as a State Railway.

2. The following letter will be addressed to the Government of India.

(Here enter No. 144 R., dated 25th February 1880.)

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 5th April 1880.

TO THE JOINT SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—The Chamber are glad to learn from the Proceedings of the Government of Madras P. W. Department, 25th February, that the Government consider it is desirable to accept the offer of the Madras Railway Board to raise the funds requisite for completing the Bellary and Hospet Railway, and they have desired me to convey an expression of their hope that the Government of India will be pleased to afford the Board the facilities they desire. The Chamber do not forget the emphatic statements that were made by the Viceroy and the Finance Minister in the Viceregal Legislative Council some time ago with reference to the great importance of Railways as affording means for protecting the people of this country from the consequences

of drought, and they hope that the great importance of opening out the Bellary District by the proposed Railway to Hospet will commend itself to the approval of the Supreme Government.

I have, &c.,
P. MACFADYEN,
Chairman.

Fort Saint George, 23rd April 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter under date the 5th April 1880, and to inform you that it has been forwarded to the Government of India.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Fort Saint George, 24th June 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—With referrence to your letter dated the 8th November 1879, in regard to the completion of the works on the line of Railway between Bellary and Hospet, I am directed to forward for the information of the Chamber copy of the letter addressed to the Government of India on the 25th February 1880, No. 144 R, and of the reply received thereto, embodied in Proceedings of this Government under date the 11th June 1880, No. 339 R.

2. A copy of the Proceedings of this Government under date the 25th February 1880, No. 143 R, has already been forwarded for the information of the Chamber.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Fort Saint George, 25th February 1880.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,
Public Works Department.

SIR,—In your letter dated the 26th February 1879, No. 885 R., you stated that the Governor-General in Council was not then prepared

to sanction the construction of the proposed railway between Bellary and Hospet, and desired that the scheme should be held in abeyance until such time as it could be taken up with the Carwar Railway system. You further stated that it appeared to the Governor-General in Council most desirable that the Government of Madras should, from its Provincial Funds, finish the works so far advanced, by putting in the necessary bridges and culverts, and also laying down sufficient ballast in order to allow the banks, &c., being used as a first-class public road until wanted for railway purposes.

2. In my letter dated the 4th August 1879, No. 660 R., I was directed to inform you, in reply, that it was absolutely out of the power of this Government to provide Provincial Funds for completing the works on the line of railway in question, in order that it might be used as a first-class public road until wanted for railway purposes.

3. With reference to that proposal, I am further directed to observe that the Provincial allotment made annually to this Presidency is, as the Government of India are aware, for specific objects, and that from that allotment a sum of 8 lakhs has been withdrawn for the ensuing year, with no certainty as to the future. The works and line, moreover, are not well suited to be used as a first-class road.

4. I am now directed to forward, for the consideration of the Government of India, a copy of the Proceedings of this Government under date the 25th February 1880, No. 143 R. It will be seen that the Chamber of Commerce have pressed upon this Government the importance of completing the line of railway between Bellary and Hospet, as being calculated to increase the traffic on the Madras Railway, as well as to mitigate the evils of any future famine in the Bellary District. The Chamber of Commerce point to the fact that the Dhond and Manmad line, which, like that from Bellary to Hospet, was commenced as a famine work, has been completed and opened for traffic. The Chamber further allude to the line from Hutgi, through Bijapur, to Gadak, which is understood to have been already commenced; and they inquire how it is that, while funds can be found in the Bombay Presidency for works of this character, they are refused for works of equal importance in this Presidency.

5. It will further be seen that, in the absence of any probability of obtaining the necessary funds elsewhere, the Madras Railway Company are desirous to undertake the completion of the works on the Hospet line, and that the Directors have instructed their Agent to ascertain the views of Government as to the propriety of application being made to the Secretary of State for sanction to the raising, by the Company, of the funds required for the purpose.

6. With reference thereto, I am directed to urge once more upon the Government of India the importance which this Government attach to the early completion of the works on the section of railway between Bellary and Hospet, in the interests both of the Madras Railway and of the district traversed. The cost of completing the works in a temporary manner, and of laying the line with rails weighing 52 lbs. to the yard, so as to admit of its being worked by the Madras Railway Company, for slow goods traffic, has been estimated at about 10½ lakhs; and this Government entertain no doubt that the

revenue which may be counted on from the opening of the line would give an ample return on that small sum; while they are strongly of opinion that no proposal which promises to increase the earnings of the Madras Railway by the development of the surrounding districts should be neglected. It must be borne in view that a large portion of the work has been executed, which will only deteriorate by the line being left in an incomplete state, while its non-completion places the produce of the district, largely cotton, at a disadvantage, and checks its development.

7. On full consideration of the question in all its bearings, and looking to the apparent impossibility of raising elsewhere the necessary sum, I am directed to state that this Government are of opinion that it is desirable to accept the offer of the Madras Railway Board to raise the funds required for completing the line, and trust that the proposal will receive the support of the Government of India, unless, with regard to the conditions of the Portuguese Treaty, the Government of India considers itself bound to keep this portion in its own hands, in which case it might be completed as a State Railway, and worked by the Madras Railway Company under proper arrangements.

I have, &c.,

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to the Govt., P. W. D., Railway Branch.

Proceedings of the Madras Government, Public Works Department, 11th June 1880.

Read the following paper:—

From Major-General J. S. TREVOR, R. E, Officiating Secretary to the Government of India, Public Works Department, (Railway—Construction), to the Secretary to the Government of Madras, Public Works Department, (Railway), dated Simla, 26th May 1880, No. 274 R C.

In reply to your letter No. 144 R. of the 25th February 1880, I am directed to inform you that the Government of India has addressed the Secretary of State about the grant of the concession of the line, from Bellary to New Hubli to a Company proposed to be organized by a body of gentlemen, known as the Stafford House Committee, and that pending a reply to that despatch no orders can be passed in regard to the completion of the Railway works between Bellary and Hospet. These Works, I am to add, will have to be built on the metre gauge, if the line from Bellary to New Hubli is to be handed over to the projected Company.

ORDER THEREON, 11th June 1880, No. 339 R.

COMMUNICATED to the Consulting Engineer for Railways.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 20th July 1880.

To the Joint Secretary Government of Madras,
Public Works Department.

Sir,—I have been directed to acknowledge on behalf of the Chamber, the Proceedings of the Madras Government, No. 144 R. 25th February, No. 254 R. 23rd April, and No. 339 R. 11th June, and to say that the Chamber are glad to learn that the local Government concur with them in attaching much importance to the projected extension of the Madras Railway from Bellary to Hospet.

The Chamber observe that the Government of India have expressed their inability to pass orders in regard to the completion of the works between the towns above mentioned, until some decision has been arrived at with reference to an offer that appears to have been made by a body of gentlemen, calling themselves the "Stafford House Committee," for the construction of a line from Bellary to New Hubli on the metre gauge. The Chamber have no knowledge of the Committee referred to, except in connection with the relief of the sufferers in the late Russo-Turkish war. But they would urge upon the consideration of his Grace the Governor in Council, that that Committee cannot have claims on the consideration of the Government of India, which can for a moment be compared with those which can be put forward by the Madras Railway Company. The Chamber take leave to express their anxious hope that the Government of Madras will oppose, as far as they possibly can, any scheme for the extension of the Railway system westward from Bellary, which involves a break of gauge at that town. The Madras Railway having already done so much for the development of this Presidency, should not, the Chamber submit, be denied the opportunity of raising the capital, as they have offered to do, which is necessary to extend their Bellary branch in the direction of Dharwar. It is gratifying to the Chamber to learn, that in the opinion of the Government, not only should the revenue which may be counted on from the opening of the Bellary-Hospet line give an ample return on the estimated cost, but also that the scheme would tend to increase the earnings of the Madras Railway by the development of the surrounding

districts. The extension would also be instrumental in increasing the bulk of that commerce which will have its outlet from the new Harbour of Madras, and it will therefore assist in promoting the financial success of that great undertaking.

I have, &c.

C. A. LAWSON,
Secretary.

Fort Saint George, 29th October 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 20th July 1880, and to inform you that it has been transmitted to the Government of India with a strong recommendation that the Madras Railway Company should be at once permitted to take over and complete the unfinished works between Bellary and Hospet. I have, &c.,

J. H. M SHAW-STEWART, Col. R. E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 29th November 1880.

TO THE JOINT SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—I am desired to say that the Chamber have learnt with much satisfaction from your letter under date the 29th ultimo that the Madras Government have strongly recommended the Government of India to permit the Madras Railway Company to at once take over, and complete, the unfinished works between Bellary and Hospet. I have, &c.,

P. MACFADYEN,
Chairman.

O.

THE MADRAS MAIL TRAIN SERVICE.

Order of Government, Public Works Department, 22nd December 1879, No. 995.

ORDER THEREON, 22nd December 1879, No. 995 R.

The Government regret to find that the proposals for the revision of the train service on the Madras Railway are still far from complete, notwithstanding the very long time devoted to their preparations.

2. They concur with the Consulting Engineer in the view that a slower speed for the mail train will probably be more economical than the closing of the line at night, as suggested by the Traffic Manager. They also agree with him that the existing traffic does not demand more than two passenger or mixed trains on any part of the line; and that even between Madras and Vellore, where only the Agent proposes additional trains, the existing traffic may be probably carried by two trains with economy. They think also that at least one train, run during day-light, should be everywhere available for passengers.

3. The speed proposed by the Agent is however probably in excess of that which will be really economical. The object in view is to enable all trains to carry ordinary full loads; and in order to work such trains economically, without undue wear of machinery and rails, the speed on the short lengths between stations must be kept at a moderate figure.

4. The Agent will be requested to at once prepare and submit a time-table in accordance with the general principles sketched above.

5. The proposal to discontinue the fast train between Podanur and Beypore is approved for immediate adoption.

6. The question of fares must depend much on the ultimate frame of the time-bill, but the Government are of opinion that any attempt to maintain high through rates, with low local rates, by regulations against re-booking, is of very questionable policy and will result in failure.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Proceedings of the Madras Government, Public Works Department, 9th January 1880.

Read the following paper :—

From A. M. SAUNDERS, Esq., Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 6th January 1880, No. 1.

I have the honor to forward herewith, for the approval of Government, a revised time-table of the passenger trains on this line, which has been prepared, as far as possible, in accordance with the general principles sketched in the Proceedings forwarded with your letter No. 1,330 of the 22nd ultimo.

2. With regard to the speed of the trains on the North-west Line, which is in excess of goods' train speed, the Traffic Manager explains that this is unavoidable as it is absolutely necessary that the day trains from and to Bangalore and Salem and Madras, and the North-west Line mail trains, should meet at Arkonam.

3. If the proposals now submitted are approved by the Government, I shall lose no time in submitting them to the Board of Directors, and ask them to communicate their instructions to me by telegraph, in view to the introduction of the revised service on the 1st of March next.

Time Table of Trains for the North-west Line.

Stations.	Passenger.	Mail.	Mail.	Mixed.	Stations.	Mixed.	Mail.	Mail.	Mixed.
	A. M.	P. M.	A.M.	A.M.		A. M.	P.M.	P. M.	A. M.
Madras ...D.	7 0	1 0	...	...	Raichore ...D.	...	...	1 35	...
					Guntakal ...A.	...	...	6 5	...
Arkonam ...D.	9 40	3 55	...	...					
Tirupati ...A.	12 0	6 15	...	...	Bellary ...D.	4 50	4 0	...	...
Do. ...D.	12 20	6 40	...	...	Guntakal ...A.	6 40	5 50	...	...
Cuddapah ...A.	5 40	11 15	...	...					
Do. ...D.	...	11 35	...	9 0	Guntakal ...D.	7 30	...	6 25	...
Gooty ...A.	...	5 25	...	3 30	Gooty ...A.	8 40	...	7 15	...
Do. ...D.	...	5 40	...	4 0	Do. ...D.	11 30	...	7 40	...
Guntakal ...A.	...	6 40	...	5 0	Cuddapah ...A.	5 30	...	1 30	...
					Do. ...D.	...	...	1 50	7 15
Guntakal ...D.	...	...	7 15	6 15	Tirupati ...A.	...	...	6 15	12 20
Bellary ...A.	...	...	9 5	8 5	Do. ...D.	...	...	6 25	12 35
					Arkonam ...A.	...	...	8 40	3 20
Guntakal ...D.	...	7 0	...	...					
Raichore ...A.	...	11 30	...	...	Madras ...A.	...	...	11 30	6 30
	P. M.	A. M.	A.M.	P.M.		P. M.	P.M.	A. M.	P. M.

Time Table of Trains for the South-west Line.

Station.		Passenger.		Mail.		Mixed.	
		A.	M.	P.	M.	A.	M.
Madras	... Dep.	7	0	1	40	...	
Arkonam	... Arr.	9	20	4	0	...	
Do.	... Dep.	9	40	4	25	...	
Vellore	... Arr.	11	47	6	45	...	
Do.	... Dep.	11	55	7	15	...	
Jalarpet	... Arr.	2	46	10	30	...	
Jalarpet	... Dep.	3	0	2	50	...	
Bangalore	... Arr.	8	15	8	30	...	
Jalarpet	... Dep.	3	6	10	50	...	
Salem	... Arr.	7	15	3	17	...	
Do.	... Dep.	...		3	37	11	30
Erode	... Arr.	...		5	35	2	10
Do.	... Dep.	...		5	55	2	40
Podanur	... Arr.	...		9	50	7	0
Podanur	... Dep.	...		10	15	7	10
Coimbatore	... ...	...		...		7	25
Mettupalaiyam	Arr	...		12	0	...	
Podanur	... Dep.	...		10	15	...	
Palghat	... Arr.	...		12	5	...	
Do.	... Dep.	...		12	35	...	
Beypore	... Arr.	...		5	35	...	
		P.	M.	P.	M.	P.	M.

Station.		Mixed.		Mail.		Passenger.	
		A.	M.	A.	M.	A.	M.
Beypore	... Dep.	...		7	30	...	
Palghat	... Arr.	...		12	35	...	
Do.	... Dep.	...		1	5	...	
Podanur	... Arr.	...		3	0	...	
Mettupalaiyam	Dep	...		1	30	...	
Coimbatore	... ...	7	0	...		...	
Podanur	... Arr.	7	15	3	0	...	
Podanur	... Dep.	7	30	3	25	...	
Erode	... Arr.	11	40	7	0	...	
Do.	... Dep.	12	20	7	30	...	
Salem	... Arr.	2	30	9	35	...	
Do.	... Dep.	...		9	55	6	15
Jalarpet	... Arr.	...		2	25	10	30
Bangalore	... Dep.	...		5	30	5	30
Jalarpet	... Arr.	...		10	30	10	30
Jalarpet	... Dep.	...		2	45	10	50
Vellore	... Arr.	...		6	0	1	34
Do.	... Dep.	...		6	30	1	40
Arkonam	... Arr.	...		8	45	3	40
Do.	... Dep.	...		9	10	4	0
Madras	... Arr.	...		12	30	6	30
		P.	M.	NOON.	P.	M.	

H. E. CHURCH,
Traffic Manager.

Madras, 5th January 1880.

Endorsement of the Consulting Engineer for Railways, dated Madras, 7th January 1880, No. 2.

SUBMITTED for the consideration of Government.

2. The time-table now submitted has been prepared generally in accordance with the views expressed by Government in Order No. 995 of 22nd December last.

3. The through trains have been arranged so as to admit of the engines taking full loads, that is to say, they are run at goods' train speed. On the North-west Line a slight acceleration has been found necessary, to admit of the North-west mail and the South-west local trains running in connection.

4. The trains are focussed at Arkonam. The local train from Salem and Bangalore will catch the up North-west mail, and

the down North-west mail will catch the 7 A.M. from Madras; thus providing through communication between Raichore and Salem and Bangalore.

5. The annexed table shows the times occupied in journeys between principal stations, by both the through and local trains.

6. Passengers between Madras and Bangalore by the night trains will have to wait 4½ hours at Jalarpet for the train from Beypore; but they can travel by the day trains without any such detention.

7. On the South-west Line the speed of the proposed local trains is higher than that of the mail trains. At present the 7 A M. train runs to Erode; but in future it is proposed to stop at Salem; and to run a day train between Salem and Coimbatore. The Traffic Manager considers it desirable that the local train from the west should reach Madras earlier than the present hour (8 P. M.), and has timed it to arrive at 6-30 P. M. Even with the present speed, this necessitates an early departure from Bangalore.

8. The following will be the stations for refreshments :—

—	Dinner.	Early Tea.	Breakfast.
Up South-west Mail	Vellore ...	Erode ...	Podanur.
Down do do	Erode ...	Vellore ...	Arkonam.
Up North-west do	Tirupati ...	Gooty ...	Raichore.
Down do do	Gooty ...	Tirupati ...	Arkonam. Madras.

9. The South-west up mail will reach Erode at 5-30 A.M., which will suit the South Indian Railway arrangements. The down mail will leave Erode later than at present, thus giving more time for the corresponding train from Trichinopoly.

10. In order that the mails from both lines may proceed to Chingleput *via* Chingleput (on completion of Chingleput-Conjevaram Line), it will be necessary to fix a later departure from Madras for the South Indian Railway through train, which will meet the corresponding train from Arkonam at Chingleput.

11. Graphic time-tables, in illustration of the proposed arrangements, have been prepared.

Duration of Journeys between principal Stations.

—	Distance.	Mail.	Local.	Miles per Hour.	
				Mail.	Local.
	Miles.	hrs. min.	hrs. min.		
Madras to Bangalore	216½	18 50	13 15	...	16·34
Bangalore to Madras		19 0	13 0	...	16·65
Madras to Salem	206¾	13 37	12 15	15·20	16·90
Salem to Madras		14 35	12 15	14·19	16·90
Madras to Mettupalaiyam	327¼	22 20	... ...	14·64	...
Mettupalaiyam to Madras		23 0	... ...	14·22	...
Madras to Beypore	406¼	27 55	... ...	14·54	...
Beypore to Madras		29 0	... ...	14·00	...
Madras to Cuddapah	161½	10 15	10 40	15·71	15·09
Cuddapah to Madras		9 40	11 15	16·66	14·31
Madras to Bellary	305½	20 5	... ...	15·21	...
Bellary to Madras		19 30	... ...	15·67	...
Madras to Raichore	350½	22 30	... ...	15·58	...
Raichore to Madras		21 55	... ...	15·99	...

J. H. M. SHAW-STEWART, Col., R.E.,
Consulting Engineer for Railways.

Madras, 7th January 1880.

ORDER THEREON, 9th January 1880, No. 19 R.

The introduction of the revised passenger train arrangements on the Madras Railway is approved from the 1st March, as proposed by the Agent; who will be requested to submit, with the least possible delay, a detailed time-table embodying the approved arrangements.

2. The Government understand that all the trains which carry passengers are to be "mixed trains;" thas is, that in every case a full load will be made up with goods vehicles if necessary.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt. P. W. D. Railway Branch.

Chamber of Commerce, Madras, 15th January 1880.

TO THE AGENT AND MANAGER,
Madras Railway.

SIR,—The Chamber have been unofficially informed that you are despatching by this Mail to your Board, and soliciting their sanction to a new train service, which, it is said, will have the effect both of placing this Presidency twenty-four hours further

from Europe, and from Northern India than it at present is, and of causing increased detention "*in transitu*" both of goods and passengers.

The Chamber cannot but be surprised that a scheme affecting commercial and public interests so materially as the one contemplated must do, has been locally decided upon without its being first submitted for the consideration of the mercantile community.

I am now desired to ask to you to be so good as to favor the Chamber at your earliest convenience with the calculation that you may have made of the economy that it is anticipated will be effected by this retrograde policy.

I have to-day addressed your Board on the subject, and begged that they will pass no definite decision on the proposal until they are in possession of the Chamber's views on the figures which, it is hoped, you will supply.

I have, &c.,

P. MACFADYEN,

Chairman.

Chamber of Commerce, Madras, 15th January 1880.

TO THE CHAIRMAN, BOARD OF DIRECTORS, MADRAS RAILWAY,
33, *New Broad Street, London, E. C.*

DEAR SIR,—It has been brought to the notice of the Chamber that a proposal is being forwarded to your Board by your Agent and Manager, by the present Mail, with reference to a new train service, which the Madras Government are said to be anxious to introduce on the score of economy, and which, if approved by your Board, will come into force on the 1st March next.

The Chamber have had no opportunity of considering either the reasons, or the figures which have induced the proposal referred to, and I am requested to beg that your Board will postpone any definite decision thereon until you receive further communication from the Chamber, which I trust to send by a very early Mail.

The Chamber understand that the practical effect of the proposal will be to place Madras twenty four hours further off

from Europe, and from the Northern Presidencies, than it is at present. This is a matter of such importance to trade generally that the Chamber are sure that the Board will not hastily assent to so retrogade a policy, and will await the further expression of the Chamber's views. I remain, &c.,

P. MACFADYEN,
Chairman.

Agent and Manager's Office, Madras, 20th January 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In reply to your letter of the 15th instant I have the honour to inform you that the new Time Table to which you refer was prepared in accordance with the orders of Government as communicated in their Proceedings No. 995 R. dated the 22nd ultimo, a copy of which has I believe been furnished to the Chamber of Commerce since you addressed to me your letter above referred to.

From those Proceedings I observe that the Chamber had an opportunity of expressing their views upon the question under consideration on the 8th of September last.

A sketch of the proposed new service appeared in the *Mail* newspaper of the 15th instant, and I have now the pleasure to forward for your information two statements which show, side by side, the present and proposed service of passenger trains on the South West and North West lines respectively.

A reference to these statements will show that the proposed new service is obviously a much cheaper one than that at present in force, but I am not prepared to furnish you with details of the savings that will be effected under the new arrangements, which I must point out will, if approved, affect only passengers and mails, and not the goods traffic.

The new service has been submitted to the Government, and has been approved for adoption on the 1st of March next, and if the Board of Directors approve of this, due notice to that effect will be given to the public. I have, &c.,

J. W. MELLIS,
for Agent and Manager.

TELEGRAM DESPATCHED—29TH JANUARY 1880.

To Madras Railway, Broad Street, London. *From Chamber of Commerce, Madras.*

Posted last Thursday protest against new train service. Please await receipt before deciding.

Madras Railway Company,
61, *New Broad Street, London, E. C., 6th Feb.,* 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I duly received on the 29th ultimo your telegram of that date as follows:—"Posted last Thursday protest against new train service. Please await receipt before deciding," and I am now directed to acknowledge receipt of your letter of the 15th ultimo, addressed to the Chairman, both of which have to-day been submitted to the Board together with a letter from the Agent and Manager on the subject of the proposed alteration of the train service.

In reply I am directed to inform you, that the Board, after careful deliberation, have just despatched a telegram to the Agent and Manager to the effect, that they have not sufficient information to enable them to form an opinion on the proposed new train service, and directing him to request you to be good enough to communicate with the Government, who have the power, under the contract, of deciding what number of trains shall be run, and the rates of speed at which they are to travel.

The Board can only hope that such an arrangement will be made as will be satisfactory to the Chamber of Commerce, and all concerned.

I am, &c.,
JULIAN BYRNE,
Secretary.

Chamber of Commerce, Madras, 22nd January 1880.

TO THE JOINT SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government of the 22nd ultimo, No. 995 R., and of the 9th instant No. 19 R.; and I beg now to hand for the information of

the Government two printed copies of a letter that, with special reference to those Proceedings, I have, under directions from this Chamber, addressed to-day to the Chairman of the Board of Directors of the Madras Railway Company.

I am desired to add that the Chamber would not have ventured upon criticising those Proceedings in the first instance in their letter to the Board, were it not that the Directors have been requested to sanction the introduction of the proposed Time-table so soon as five weeks hence. While the Chamber are somewhat at a loss to understand the need for such expedition, they perceive that they have no time to lose in bringing their views before the Board. Under ordinary circumstances the Chamber would have first submitted an expression of those views for the consideration of the Government; but the present is no ordinary occasion, and the Chamber trust that, under the exceptional circumstances of the case, the Government will not disapprove of the Chamber's departure from their usual practice, a departure which has been rendered necessary by the Government not having given the Chamber an earlier opportunity of considering the important matter of the proposed new Train service.

I have, &c.

P. MACFADYEN,
Chairman.

Chamber of Commerce, Madras, 22nd January 1880.

TO THE CHAIRMAN BOARD OF DIRECTORS,
Madras Railway Company,
London.

SIR,—On the 15th instant I had the honor of addressing you on behalf of this Chamber with reference to the proposal for the introduction of a new train service on your lines from the 1st March next. I mentioned that the Chamber had had no opportunity of considering the reasons which had prompted the proposal, and that they hoped your Board would withhold their assent to the scheme until they receive the further expression of the Chamber's opinion on a matter of such serious importance to commerce, as placing Madras twenty-four hours farther from Europe and the Northern Presidencies than it is at present.

The Chamber, since the despatch of the last mail, have been afforded an opportunity of reading the Proceedings of the Madras Government, Public Works Department, of the 22nd ultimo, No. 995 R, and of the 9th instant, No. 19 R, relative to the proposed abolition of Night Trains and the remodelling of the Time-Table. A copy of these Proceedings will, the Chamber presume, be furnished for your Board's information.

It is a matter for regret to the Chamber that although the discussions connected with the new service have spread over many months, it does not seem to have occurred to the Madras Government that the local trading community had any right to let their voice be heard; and although the Chamber, on the 8th September last protested against the rumoured abolition of night trains, no reply has been made to their letter, nor have their arguments had any weight in the decision that has been arrived at. The Chamber do not doubt the competence of the Railway experts, who appear to have been consulted, to give good advice from their special points of view; but it is, after all, the public in general, and the commercial and trading communities in particular, who are most interested in the successful working of the Madras Railway, and it is to be regretted that no means of eliciting their views seem to have been adopted.

It will be admitted by your Board that if the Madras Railway earned its guaranteed interest, nothing would have been heard of the proposal under discussion. Its sole object, therefore, is to effect so important an economy that a long step will be taken towards diminishing the loss in interest that Government have now to make up. The Traffic Manager says distinctly that the "continuance of such a costly service (as the present) shuts out all chance of paying the guarantee," and he also speaks of the "enormous saving in cost of working" that the abolition of night trains would bring about. These general statements would have prepared the Chamber for figures as to which there could be no dispute, and aggregating a sum that would be at least an appreciable precentage on the capital of the Company. But instead of this, the Traffic Manager is only able to shew a total saving in all departments of about $2\frac{1}{2}$ lakhs, while the Agent and Manager in his letter of

the 23rd September 1879, altogether declines to accept this as a fair or accurate statement of the probable effect of having no night trains, and shews that in his opinion an absolute loss would be the result.

The Consulting Engineer for Railways sums up rather in favour of the Agent's than the Traffic Manager's views, and the Government have decided that night trains shall not be abolished. It is obvious, therefore, that in the opinion of those who had the deciding of the question, the Traffic Manager had not proved the heavy indictment he had brought against the present mail service, and the Chamber think that this ought to cause his predictions as to probable savings in other ways to be accepted with great caution.

The question of night trains having been disposed of, the Agent and Manager, in his letter of the 18th October 1879, submits an amended Time-Table, which, in his opinion, would save considerably in working expenses, and yet not materially lessen the conveniences now afforded to the public. By his scheme the mail trains would leave Madras at 3-45 and 4 P. M., and arrive at 8-45 and 9-15 A. M. This proposal did not however meet with the approval of the Consulting Engineer for Railways, and what has been adopted is a Time-Table which provides for mail train departures at 1 and 1-40 P. M., and arrivals at 11-30 A. M., and 12-30 P. M. It is to this latter arrangement that the Chamber most strongly object, and it is one to which their arguments against the abolition of night trains apply with equal force.

The Chamber have to thank the Consulting Engineer for Railways for urging with force and clearness nearly all that can be said against the "radical change" which "would inflict serious injury on the through goods traffic, and materially affect trade throughout the Presidency. Indeed every existing interest, personal, social, economical, and political, would be more or less affected by the proposed change. . . . . one day would be lost in the receipt of letters, and another day in the despatch of the replies, so that for all purposes of correspondence, both local and with the rest of India, there would be a delay of 48 hours, as compared with the arrangements that have been in force for years," and as to the money saving, he

says, "the loss may be said to be certain, while the gain is uncertain." It is true that in urging all the foregoing, the Consulting Engineer had in view the abolition of the night trains only, and that he is apparently an advocate of the proposed new train service. The Chamber cannot explain this inconsistency, for they contend that everything quoted tells against the new proposal as much as against as the old. That trade would be affected throughout the Presidency, the Chamber have no reason to doubt. That the various interests enumerated by the Consulting Engineer would suffer, there is every reason to believe; and the delay in correspondence is a fact patent on the face of the Time-table itself. Every argument of convenience is therefore against the proposed change, and there only remains the saving that it is expected to achieve.

So far as the Chamber are able to discover, no attempt is made in any of the Proceedings to formulate in figures the economy expected from the new train services. Perhaps, warned by the fate that attended the figures produced in support of the abolition of the night trains, it has been thought advisable to confine prediction to the statement that reduced speed and mileage run, must save something. Against this may be put the experience of other carriers, that traffic is not developed by obstacles being put in its way, and that travelling does not increase the more inconvenient it is made. The Chamber entirely agree with Government that any attempt to maintain high through (passenger) rates with low local rates, by regulations against rebooking, is of very questionable policy, and will result in failure.

The 4 pies rate now charged by mail train must therefore be reduced to 2, thereby giving at once a loss of $2\frac{1}{2}$ lakhs to be made up by reduced speed and mileage. What the loss in first and second class passengers will be, the Chamber do not profess to know, but they are willing to assume, with the Consulting Engineer, that it will be at least Rs. 66,000; so here is a total passenger loss of over 3 lakhs to be made up out of the new Time-Table, and this too with no help from reduced establishments, such as the abolition of the night trains would have rendered possible. The Chamber, therefore, are obliged

to conclude that the new Time-Table is open to all the objections that prevailed against the abolition of the night trains, and that so far as can be seen, it has not in its favour even the advantage of economy.

The Chamber are most anxious that the Madras Railway should pay the guaranteed interest, but they are convinced that decreased facilities are not the means to attain this end. When it is remembered that the capital of the Company is over 10 millions sterling, and that the annual deficit of interest is something like 30 lakhs, it is apparent that no infinitesimal economies touch the question of making the railway pay. The Chamber by no means deprecate real economies, but they urge that it is not the interest of the railway to save apparently a lakh or two of Rupees annually by giving fewer facilities to the public, while it is impossible to estimate the loss of traffic caused thereby. Such a policy is, in the opinion of the Chamber, the most suicidal that any Railway could pursue.

The Chamber have so far dealt with the arguments that they find set forth in favour of the new train service, and they trust they have been enabled to shew your Board that something is to be said on the other side. They would fain hope that further consideration will be given before the retrograde policy to which they object is finally consummated. They would submit that even on the ground of economy—which is the sole cause of any change being advocated—no adequate case is made out, while in every other way the scheme stands self-condemned. The Chamber, for the reasons set forth above, and for those contained in their letter of the 8th September which is printed in the Government Proceedings of the 22nd ultimo, respectfully, but strongly protest to your Board against the new Time-Table, as inimical to the interests of the public, and of the Madras Railway itself.

A copy of this letter will be communicated to the Madras Government. The Chamber would have adopted the usual course of addressing the Government first, and requesting that the expression of their views might be communicated to your Board, did they not understand that your Board have been asked to telegraph sanction of the new Time-Table, and did

they not perceive the desirability that a portion of what can be said against it should be in your hands without delay.

I have, &c.,
P. MACFADYEN,
Chairman.

Chamber of Commerce, Madras, 28th January 1880.

TO THE SECRETARY GOVERNMENT OF INDIA,
Public Works Department, Calcutta.

SIR,—With reference to telegram of this date, as per copy at foot, I have now the honor to enclose for the information and consideration of the Government of India, copies of letters which the Chamber addressed to the Madras Government on the 4th September last and the 22nd instant, and of their letter dated 22nd instant, to the Board of Directors of the Madras Railway. I further hand herein copy of letter, dated the 20th instant, from the Agent and Manager of the Madras Railway to the Chamber.

The Chamber presume that the Madras Government have forwarded to the Government of India their various Proceedings which have led to the proposed change in the train services. They are sanguine that a perusal of these, and of the papers forwarded herewith will shew that no adequate case has been made out for the entire reversal of the policy that has hitherto governed the working of the Railway. It will be seen that the sole ground upon which the change is advocated is that of economy, and it is a remarkable fact that nowhere in the Government Proceedings sent to the Chamber is any attempt made to estimate in figures the anticipated saving, while the Agent and Manager, in reply to a distinct enquiry, declines to give even an approximate guess as to what it will amount to.

The Chamber are at a loss to understand this reticence and they would urge that a radical change such as is referred to should be supported by unimpeachable figures. The Chamber admit that the reduced mileage must save something, but they contend that this something should be expressed in figures, and then it will be time to consider whether the esti-

mated economy is worth obtaining at the certainty of great public inconvenience, and at the risk of driving away traffic.

The Chamber would beg the Government of India's best consideration to all they have urged in the correspondence enclosed, and they would explain that the delay in taking up this matter does not rest with them. It was only by accident that the Chamber learned that the new Time Table was ordered to be introduced from the 1st March, and having been informed that the sanction of the Board of Directors had been asked, a remonstrance was immediately sent to them. But the Chamber are now aware that with the Government of India the final decision rests, and they appeal with confidence to them. The question is not a local but an Imperial one; it goes to the root of the *raison d'être* of every railway in this country; and the Chamber strongly contend that the guaranteed interest is part of the price that India has to pay for the benefits of the English rule. If the railways earn that interest, so much the better, but if not, they exist not so much to make a profit as to link together the resources and the peoples of this great Empire. To cramp their usefulness, and to restrain their development, is entirely opposed to the policy that conceived and constructed them. As the Chamber are not aware that this policy has been disowned by the Government of India, they would fain hope that the proposed train service will not be sanctioned.

The Chamber are at present at a loss to know who is responsible for the proposed change. But they venture to think that it should not take place until a Commission, on which the public and the commercial and trading communities are represented, has had an opportunity of investigating, and reporting on the whole matter. The Chamber would therefore respectfully, but earnestly, urge either that the proposed new train service be disallowed, or that a commission of the kind referred to be appointed, and that, pending its report, no change be made on the Madras Railway.

I have, &c.,

P. MACFADYEN,
Chairman.

TELEGRAM DESPATCHED—28TH JANUARY 1880.

To Public Works Minister, Calcutta. *From Chamber of Commerce, Madras.*

Chamber respectfully beg Government India withhold sanction to proposed new Madras Railway Train Service pending receipt letter from them. Neither public convenience nor mercantile and trading interests have been studied in intended change. No opportunity has been given to discuss grounds on which it is advocated. Matter is, in Chamber's opinion, of vital importance to this Presidency, and they earnestly deprecate any hasty decision thereon.

REPLY RECEIVED—29TH JANUARY 1880.

To Chamber of Commerce, Madras. *From Public Works Minister, Calcutta.*

The Government of India has asked his Grace the Governor to give the Chamber an opportunity of stating to him the changes to which they object in the Time-table of the Madras Railway Company, and of pointing out how those changes affect their interests. The Government of India is sure that the representations of the Chamber will receive full consideration from his Grace.

Chamber of Commerce, Madras, 29th January 1880.

TO THE JOINT SECETARY TO GOVERNMENT,
Public Works Department, Madras.

SIR,—With reference to my letter to you under date the 22nd instant, I have now the honor to hand for the information of the Madras Government copy of a letter* addressed by the Chamber yesterday to the Government of India Public Works Department relative to the proposed Madras Railway Train Time-Table.

I have, &c.,
P. MACFADYEN,
Chairman.

Chepauk, 5th February 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letters of the 22nd and 29th ultimo, covering respectively

* See page 151.

copies of letter addressed by the Chamber to the Directors of the Madras Railway Company and to the Government of India in the Public Works Department. I have, &c.,

J. H. M. SHAW-STEWART., Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chepauk, 9th February 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—In continuation of my letter No. 375, dated the 3rd Instant, acknowledging the receipt of your letters dated respectively the 22nd and 29th ultimo, covering respectively copies of letters addressed by the Chamber to the Directors of the Madras Railway Company and to the Government of India in the Public Works Department, I am directed to state that His Grace the Governor proposes to discuss with the Chamber, on his return to Madras, the question of the Mail service on the Madras Railway. I have, &c.,

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Consulting Engineer's Office, Madras, 12th February 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—With reference to your letters of the 22nd and 29th January 1880, to the Joint Secretary to Government Railway Branch, I have the honour to inform you that the Government have directed that the introduction of the new train service on the Madras Railway be deferred till the 1st April, with a view to its discussion with the representatives of the various interests concerned. I have, &c.,

W. H. COAKER, Capt., R.E.,
for Consulting Engineer for Railways.

Agent and Manager's Office, Madras, 12th February 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—I have the honor to inform you that in a telegram received from my Board as to the proposed alteration in the train service I am directed to "refer Chamber to the Government."

I have also to inform you that I have to-day received intimation from the Government that the introduction of the new Time-table may be postponed to the 1st of April in order to admit of the subject being discussed with the Chamber of Commerce and the Postal authorities. I have, &c.,

ARTHUR M. SAUNDERS,
Agent and Manager.

TELEGRAM DESPATCHED—12TH FEBRUARY 1880.

To Public Works Minister, Calcutta. *From Chamber of Commerce, Madras.*

Governor will be absent till towards end month. He proposes interview on his return but meantine no instructions given to postpone introduction new train service Madras Railway, which Chamber request may be given. Chamber earnestly beg that Commission of inquiry suggested by them be appointed, as only satisfactory means of testing alleged savings and of advising whether proposed change is politic even if economy, which is most doubtful, can be shown. Chamber are compelled in absence of Governor to appeal to Supreme Government, and they hope that a measure so fraught with importance to whole Presidency will not be sanctioned until full enquiry has been made.

TELEGRAM RECEIVED—13TH FEBRUARY 1880.

To Chamber of Commerce, Madras. *From Public Works Minister, Calcutta.*

His Grace the Governor has been requested in his arrangements for train service not to place the town of Madras in a worse position than it is at present in regard to the receipt and despatch of mails to Bombay and other places. It is believed this arrangement will meet the representations of the mercantile community of Madras.

TELEGRAM DESPATCHED—13TH FEBRUARY 1880.

To Public Works Minister, Calcutta. *From Chamber of Commerce, Madras.*

Chamber tender their most cordial thanks for satisfactory solution of railway questions. So long as mail trains run as at present mercantile community will be quite satisfied,

and Supreme Government have earned the warmest gratitude of all interested in trade of this Presidency.

Madras Railway Company,
61, *New Broad Street, London, E. C., 20th February* 1880.

To the Chairman Chamber of Commerce,
Madras.

Sir,—I have the honor to acknowledge receipt of your letter of the 22nd ultimo addressed to the Chairman which has this day been laid before the Board.

In reply I am instructed to inform you that my Directors being strongly impressed with the importance of the considerations involved in the proposed change in the train service, consider the reasons you have urged against it are of considerable weight, and deserving of the fullest attention.

They have accordingly telegraphed to the Agent and Manager to suspend the change of service until the receipt of a communication from them which will be despatched by this mail, and they have instructed him to make such recommendations to Government as may meet the wishes and convenience of the public as far as possible. I am, &c.,

Julian Byrne,
Secretary.

Fort Saint George, 23rd March 1880.

To the Chairman Chamber of Commerce,
Madras.

Sir,—Adverting to my letter dated the 9th ultimo, No. 449 R., and to the discussion which took place at Government House on the 20th idem, when the Committee of the Chamber met His Grace the Governor with reference to the proposed train arrangements on the Madras Railway, I am directed to forward for the information of the Chamber a copy of the Proceedings of Government under date the 23rd March 1880, No. 210 R., and to state that His Grace the Governor will be happy to see the Committee of the Chamber on any points which may occur to the Chamber thereon. I have, &c.,

J. H. M. Shaw-Stewart, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Proceedings of the Madras Government, Public Works Department, 23rd March 1880.

Read the following paper :—

From A. M. SAUNDERS, Esq., Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 13th March 1880, No. 204.

In continuation of my letter No. 142, dated the 21st ultimo, I have the honor to forward herewith, for the information of Government, copy of a letter No. 655, dated the 20th idem, which I have received from the Secretary in London on the subject of the proposed alteration in the train service.

From J. BYRNE, ESQ., Secretary, Madras Railway Company, to the Agent and Manager, dated 61, New Broad Street, London, 20th February 1880, No. 655.

I duly submitted to the Board your letter No. 1,397, in paragraph 38 of which you report that Government have sanctioned that part of your proposal with reference to the alterations in the train service which included the discontinuance of the mail trains between Podanur and Beypore, by which it is estimated that an annual saving of about 75,000 train miles will be effected. With your subsequent letter, No. 1,399, you forward a revised time-table framed in accordance with the general principles sketched in the Order of Government, No. 995, dated 22nd December 1879, and from paragraph 9 of your letter last quoted, it is observed that Government have approved of the introduction, from the 1st proximo, of the proposed arrangements.

When considering the above question the Board had also before them a letter, dated 15th January 1880, from the Honorable P. Macfadyen, Chairman of the Madras Chamber of Commerce, representing that so far as he is aware the practical effect of the alteration will be to place Madras twenty-four hours further off from Europe and from the Northern Presidencies than it is at present, and requesting the Board to postpone any definite decision until they were in receipt of a further expression of the Chamber's views. In the absence of any estimate of the saving expected to result from these alterations, a most material point in connection with the subject, the Board were unable to arrive at any satisfactory conclusion, and as you requested that their instructions might be communicated to you by wire, I sent you on the 6th instant the following telegram :—"Board have not sufficient information to form opinion on train service. Refer Chamber to Government. As to fares adopt two pies throughout."

From the above you will have inferred, with reference to your inquiry as to what fare is to be charged, upon the introduction of the new service, for third-class passengers carried by mail trains, that the Board concur in the views expressed by the Government in their order above quoted, that "any attempt to maintain high through rates, with low local rates by regulations against rebooking, is of

very questionable policy and will result in failure." In acknowledging the receipt of Mr. Macfadyen's letter above referred to, the Board notified to him the purport of the telegram that had been despatched to you, and they requested him to be good enough to place himself in communication with Government.

The Board have now received the memorial containing a full expression of the views of the Chamber of Commerce on the subject. It appears to the Directors that the reasons urged against the proposed changes are of considerable weight, and deserving of the fullest attention, more especially in regard to the very great inconvenience which will attend the arrival of the mail so late as 11-30 A. M, and departure at 1 P. M. They have therefore to-day despatched to you the following telegram—"Chamber's memorial received. Suspend change of service. Letter follows;" and I am to instruct you to give the Chamber's views your best consideration, and make such recommendations to the Government as may meet the wishes and convenience of the public as far as possible.

SUBMITTED for the consideration of Government.

ORDER THEREON, 23rd March 1880, No. 210 R.

When dealing with the question of the train service on the Madras Railway, in their Proceedings dated the 22nd December 1879, No. 995 R., and the 9th January 1880, No. 19 R., the Government had in view the introduction of the most economical arrangements, with reference to the large sum by which the charges on account of that Company exceed the net earnings, amounting on the average to no less than £320,000, per annum.

2. With that object, the Government were desirous of the adoption of a time-table framed so as to enable all trains to carry ordinary full loads; and in order to secure this it became necessary to propose a considerable reduction in the speed of the mail trains on the North-west and South-west Lines, which were undoubtedly worked at the heaviest loss. Accordingly, such a reduction in the speed of those trains was proposed, as would, in the opinion of the Company's officials, enable full loads to be secured, by supplementing the mail vans and passenger carriages with goods vehicles. It was, in fact, proposed that the mail trains should in future be run as mixed trains.

3. The conditions affecting the question have however been altogether altered by a decision arrived at during the recent Railway Conference, under which the running speed of a mixed train over any part of its journey has been restricted within a

maximum of 30 miles per hour. The effect of that decision is to render it impossible to run the mail trains, with goods vehicles attached, even at the reduced speed which had been proposed; and a reconsideration of the entire question has become necessary.

4. The conditions have been still further modified by the decision which has been arrived at by the Madras Railway Board, to the effect that the third-class fare of two pies per mile is to be adopted on all trains without exception. This decision will probably result in a considerable increase in the number of third-class passengers travelling by mail trains.

5. In view of these altered conditions, the Agent of the Madras Railway Company was requested to submit, for the consideration of Government, a revised time-table, showing the arrangements which, in his opinion, would allow the exercise of the greatest economy consistent with due regard to the public convenience.

6. This revised time-table is now before Government. Its principal features, as compared with the arrangements now in force, are—

	Present.	*Proposed.*
North-west Mail.		
Leaves Madras	6-15 P. M.	5 P. M.
Arrives do	6-30 A. M.	8-25 A. M.
South-west Mail.		
Leaves Madras	6 P. M.	5-15 P. M.
Arrives do	6 A. M.	7-50 A. M.

On the North-west Line, the times of arrival at, and departure from Raichore, are unchanged. On the South-west Line, the times will be modified slightly thus :—

	Present.	*Proposed.*
Leaves Bangalore	7-45 P.M.	6-45 P. M.
Arrives do.	6-15 A. M.	7 A. M.
Leaves Mettupalaiyam	2 P.M.	1-15 P. M.
Arrives do.	10-5 A.M.	11-50 A. M.
Leaves Beypore	7-15 A.M.	7-30 A. M.
Arrives do.	4-50 P.M.	5-30 P. M.

7. The slower rate of speed of the proposed service, as compared with that now in force, is understood to be rendered necessary by the combined effect of the discontinuance of certain other trains, and the consequent transfer of traffic to the mail train, together with the application of the two pies fare to mail trains, and consequent increase of traffic therein, and of the train loads.

8. The Government understand from the Postmaster-General that, if the train service now under consideration be introduced, arrangements can probably be made which compare as follows with those now in force :—

Delivery of Letters.	*Present.*	*Proposed.*
Window delivery... ...	... 7 to 7-40 A.M.	9 to 9-40 A.M.
Do. Overland Mails	... 7 A.M.	8-50 A.M.
Town delivery	... 7-40 A.M. to 12 noon.	9-40 to 11-45 A.M.
Suburb delivery	... 8 20 ,, to 12-30P.M.	10 A.M. to 12-30 P M.

Receipt of letters for despatch.	*N. W. Line.*	*S. W. Line.*	*N.W. Line.*	*S.W. Line.*
Latest hour, General Post Office	5 P.M.	4-45 P.M.	4 P.M.	4-15 P.M.
Do. for registered letters	4-30 P.M.	4-15 ,,	4 ,,	4 ,,
Do. for Overland do	4-45 ,,	...	3 45 P.M.	...
Do. Central Rail Station	5-30 ,,	5-30 ,,	4-55 ,,	*4-55 ,,
Do. for Overland letters	6-5 ,,	...	4-50 ,,	...

* Letters will also be received in letter-box attached to South-west Train up to 5-15 P.M.

9. The Postmaster-General observes that the proposed time-table for the Madras Railway does not fit in with the through service now in force on the South Indian Railway; and if the effect would be to destroy the connection, and interpose a delay to the through letters for Pondicherry and Cuddalore, material inconvenience might arise. The Government, however, understand that the South Indian Railway Company expect to open, during May, their line from Chingleput to Walajabad, and from the latter place to Conjeeveram before the end of the year. They also learn from the Postmaster-General that he is prepared, so soon as the line is opened to Walajabad, to send the mails on by this, which will be the ultimately best route, and to work by means of runners the link between that place and Conjeeveram. They are prepared to arrange with the Agent of the South Indian Railway for a service of trains to be run between Chingleput and Walajabad, and between Conjeeveram and Arkonam, in connection with the through mail trains on the two railways, until the link between Conjeeveram and Walajabad shall have been completed. Thus, no delay will accrue to the through mails by the proposed arrangement.

10. The Government learn that the train arrangement proposed, and of which the reduction of speed of the mail trains is a material element, will result in a reduction, in book train-mileage, of 448,000 miles per annum. The cost per train mile of working the Madras Railway was Rs. 2-3-8 during the first half

of 1879. This of course includes many items of charge which are not necessarily reducible by a reduced mileage. The Consulting Engineer considers that 12 annas per mile may be saved for every train-mile reduced. The Company's Agent considers that the actual running charges, 8 annas per mile, will be saved; but hesitates to make an estimate of what proportion of other charges will be saved. On the figures of the Consulting Engineer, a saving of Rs. 3,36,000 per annum would be effected: according to the Agent's figures, a saving of Rs. 2,24,000, besides an unestimated saving on the other items. In addition to these direct savings, there would be indirect savings in maintenance and other items, consequent on reduced wear and tear, making a considerable amount, but which would only be realised after the reduced mileage shall have been some little time in operation.

11. The Government also find that their anticipations, which led them last year to desire the preparation of a scheme of train service, more in accord with the needs of the traffic, have been borne out—that so far from their being any sign of prospective increase of traffic, the tendency is downwards; and that the ten weeks of this year show a reduction as compared with the last year in the case of six weeks, and an increase in only four weeks. The result, after including an increase of Rs. 8,457 in harbour material, and Rs. 7,890 for soldiers and troop trains, being an increase of Rs. 11,134, as compared with the corresponding period of 1879; a sum not equal to the casual additional items above referred to. The Government further find that the first-class passenger traffic of the line, which for 1879 only averaged 2·02 passengers per train, has shown also a downward tendency.

12. Upon full consideration of the question in all its bearings, the Government are of opinion that the revised proposals now laid down before them by the Agent of the Madras Railway Company are such as to effect the greatest economy in train service possible under the altered conditions which now affect the question, and that the changes in the mail service are not such as to cause any real inconvenience.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 9th April 1880.

To the Joint Secretary to Government,
Public Works Department.

Sir,—I have now the honor to inform you that the Chamber have given their best consideration to all the papers placed at their disposal in connection with the proposed revised train service, and that they have approached the subject in no obstructive spirit, but with the anxious desire that their opinions should be unbiassed by any considerations save those of the public good and convenience.

It will be remembered that when the revised train service first proposed was under discussion, the Chamber ventured to complain that they were not in a good position to give an opinion on the scheme, as the figures on which it was founded were not at their disposal. I am instructed to point out that in the Proceedings of Government, now before the Chamber, the same reticence is observed, and that beyond a statement that 448,000 "book train miles" will be saved nothing is given that would enable any intelligent criticism to be passed on the new proposal. The Chamber would wish to be informed how many of the above train miles are to be saved by dealing with trains other than those carrying the mails, and how many by the reductions of speed of mail trains. The Chamber cannot help thinking that a large portion of the 448,000 miles cannot be credited to the slower speed of mail trains, and if this is the case, it seems scarcely worth while for a very small saving to make any changes. It may also be pointed out here that if the mail trains were credited, as they ought to be, with a fair charge for carrying the mails, the loss now apparently at their debit would more than probably be changed into a credit.

The Chamber are also curious to know in what way the Railway Company saves by the long stoppages that their trains not infrequently indulge in at the stations, of which some notable instances have been recently brought to notice on the Western Coast. It seems to the Chamber that by curtailing these stoppages, the Railway might shorten the time of its journeys, without any additional cost to itself.

On the whole the Chamber see no good reason to alter the views already fully and frequently expressed by them, that no

adequate case has been made out for any alterations of the present train service. It is not a better service than the Presidency of Madras has a right to expect, and the Government of India having concurred in their opinion, the Chamber hope the Government will not sanction any alterations. Holding these views, the Chamber desire now to state that they do not think it necessary to trouble His Grace the Governor to receive this Committee, as suggested by you. They can only express their hope that the new train service will be left unchanged until at any rate some Commission, composed of representatives of all classes interested, has gone into the whole subject, and have recommended on unimpeachable evidence that the Railway should enter on what even then the Chamber would consider a retrograde course.

I have, &c.,

P. MACFADYEN,

Chairman.

Chamber of Commerce, Madras, 12th April 1880.

TO THE JOINT SECRETARY TO THE GOVERNMENT OF INDIA,

Public Works Department.

SIR,—In continuation of my letter to you of Saturday last, I have now the honor to hand you a printed copy of a letter that I have received to-day from the principal Residents, Planters and Merchants of the Western Coast relative to the proposed alterations in the train service.

The letter is signed by the following firms, &c. :—

Pierce, Leslie & Co.,	J. B. Burnett, (Agent for Parry
Andrew & Co.,	Hinde & Co., [& Co.,)
Massy & Co.,	Stanes & Co.,
D. Manockjee & Co.,	C. Cooper Abbs,
Bank of Madras (Calicut Agent.)	&c., &c., seventy-four in all.
G. Henke & Co.,	

I would have had the letter fair-copied in the usual manner were it not desirable that it should be placed in the hands of His Grace the Governor with as little delay as possible.

I beg that you will be so good as to lay it before His Grace.

I have, &c.,

P. MACFADYEN,

Chairman.

From the Tellicherry and Cannanore Merchants, to the Chairman of the Chamber of Commerce, Madras.

Referring to the published correspondence which has taken place between your Chamber and the Secretary to the Government of India Public Works Department, on the subject of the proposed alterations in the Mail Train Service on the Madras Railway, we the principal Residents, Planters and Merchants on the Malabar Coast desire to offer you our best thanks for the action you have taken in the matter, and our congratulations on the favorable results you have already obtained.

We have nothing to add to the arguments which you have so ably and effectually used, but we would point out that the Public Works Minister, in his telegram to you of 13th February, seems to refer only to the convenience and interests of the town of Madras, whereas we think that the whole of Southern and Western India is equally interested, and we cannot do better than draw particular attention to the 4th paragraph of your letter to the Government of India, dated 28th January last, which says:—"The question is not a local but an Imperial one; it goes to the root of the *raison d'etre* of every railway in this country, and the Chamber strongly contend that the guaranteed interest, is part of the price that India has to pay for the benefits of English rule. If the railways earn that interest, so much the better, but, if not, they exist not so much to make a profit as to link together the resources and the peoples of this great empire."

That the alterations already enforced, and the further ones contemplated, must seriously affect both the private and mercantile interests and convenience of all people on the Western Coast cannot be doubted, and we strongly deprecate the institution of such a retrograde step in the acknowledged policy of civilization.

It is not our desire or intention to refer here to the question of the economical working of the lines. These details must be left to you and to the Committee, whose appointment you have advocated, and in whose hands we confidently leave our interests. We would therefore merely request attention to the change which has been made in the Mail Service between Podanur and Beypore since the 15th January last. This change evidences not only a total disregard for the convenience and wishes of the inhabitants of Western India, but shows what we cannot but look upon as a want of consideration for the true interests of the Railway Company.

A glance at an old time-table will easily explain the matter.

There were before this date two up and two down trains daily. The fast trains have been taken off and the slow ones remain, the down train occupying seven hours and fifty minutes to travel the 104 miles between these two stations, or an equivalent of about 13 miles an hour. At least two hours of this time are occupied by wholly unnecessary delays at stations; for instance instead of the usual thirty minutes allowed at Podanur, the down train waits there fifty-five minutes and again stops at Palghat for one hour, without any cause, while the time wasted at every station is a matter of comment by

every passenger who travels on the line. These two hours must involve great waste of fuel, and they might be saved without any acceleration of speed. Formerly the merchants of Beypore and Calicut received their letters in time to enable them to reply to their Bombay, Madras and other correspondents by return of post. Now, however, this is impossible. And it does not only affect Europeans but also the large and increasing class of Native merchants whose business is rapidly extending throughout the Western Coast.

It is our hope that the old Mail Train Service will be resumed, and we trust that the representations of your Chamber will have a result so desirable for all.

ORDER THEREON, 27th May 1880, No. 305 R.

It is observed that the revised time-table provides for a halt of only thirty-one minutes at Podanur, and of thirty minutes at Palghat. It is understood that these halts are required for shunting purposes in consequence of the heavy gradients on that portion of the line. According to the revised time-table, the down train will occupy seven hours twenty minutes between Podanur and Beypore, instead of seven hours fifty minutes.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt. P. W. D. Railway Branch.

Chamber of Commerce, Madras, 5th July 1880.

TO THE SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—I am instructed by the Chamber to ask you to be so good as to inform me whether any, and if so what action has been taken by the Government with reference to the proposed revision of the Madras Train Service about which the Chamber last had the honor of addressing you on the 9th April.

It will be gratifying to the Chamber to learn that His Grace the Governor in Council has been pleased to abandon the scheme of reducing the speed of the Mail trains.

I have, &c.,

R. C. WALKER,
Vice-Chairman.

Chepauk, 14th July 1880.

To the Chairman Chamber of Commerce,
Madras.

Sir,—I am directed to acknowledge the receipt of your letter of the 5th instant, and in reply to inform you that the question of the revision of the Madras Railway train service is under consideration, in discussion with the Government of India.

I have, &c.,

J. H. M. Shaw-Stewart, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 10th August 1880.

To the Secretary to the Government of India,
Public Works Department, (Railways.)

Sir,—As the Chamber has been informed that the scheme of the Government of Madras for the revision of the time-table of the Madras Railway has been sent up to the Supreme Government for sanction, I have the honour to ask you to submit, for the consideration of his Excellency the Viceroy and Governor General in Council, that this Chamber respectfully deprecate the adoption of a time-table, that will, in their opinion, place unnecessary restrictions on trade, and cause much public inconvenience, without producing that financial result which the Madras Government have at heart.

The Chamber to some extent sympathise with the natural regret of the Madras Government, that the charges of the Madras Railway exceed the nett earnings by £320,000 per annum; but they are of opinion that it is an inequitable arrangement which denies the Company the right to earn revenue from the carriage of the public mails, and they think that one-third of the cost of running mail trains should be charged to the mails, or, in other words, be paid by the Government.

The Chamber assume that it is not the present intention of the Government of India to alter those arrangements with the guaranteed Railways that regulate the carriage of mails, troops, police, stores, &c., and they do not venture to press the matter on the attention of the Government; but they take leave to remark that if the already very moderate speed of the Madras Railway

trains is to be considerably reduced on the plea that the Railway does not earn enough to meet the charge of the interest guaranteed by the State on its capital, such plea is founded on a fallacy, since the argument ignores the prohibition which prevents the Company recovering payment for important services that it punctually and efficiently renders to the State. It seems to the Chamber, that even though it may not be convenient to make any money payments for the immense economy in administrative expenditure which is rendered possible by the Railways, it would be right, with reference to the scheme under consideration, to grant the Madras Railway book credit for such sums as it would receive were it an independent line, and only then to consider whether the deficiency between gross expenditure and cash and book earnings is so large as to call for so drastic and retrograde a remedy as slackening the speed of the trains.

The Committee of the Chamber were honoured, on the 20th February last, by his Grace the Governor, with a personal interview, and they were then informed that the object of the proposed changes in the train service was to ensure a saving in the working expenditure of the Railway. His Grace was good enough to say that he would have the necessary figures prepared, showing the saving which could be effected by a modification of the present service, and he would then communicate with the Chamber. But up to this date, although the Chamber have on several occasions, reminded the Government of their anxiety to scrutinise these figures, they have not been afforded the opportunity of doing so, and they apprehend that in the absence of an expression of the Chamber's general dissent to the changes that are contemplated, it may occur to the Government of India that the proposition of the Madras Government has evoked no sustained local disapproval.

But, without being in a position to strengthen their opinion by reference to the statistical information which they had the best of reasons to anticipate would be placed before them before the scheme was sent on to his Excellency the Viceroy in Council, the Chamber adhere to the conclusion which they communicated to the Madras Government on the 9th April last, viz., "on the 'whole they see no good reason to alter the views already fully

'and frequently expressed by them that no adequate case has 'been made out for any alterations of the present train service. 'It is not a better service than the Presidency of Madras has 'a right to expect, and the Government of India having concur-'red in this opinion" (in the Public Works Minister's telegram of the 13th February) "the Chamber hope this Government 'will not sanction any alterations."

In conclusion, and with reference to my letter to you under date the 28th January last, I am desired to reiterate the expression of the Chamber's hope, already communicated in their telegram to the Public Works Minister of the 12th February, that before any change in present arrangements is sanctioned, a Commission of Enquiry may be appointed to test the alleged savings, and to advise the Government of India whether the proposed change would be politic, even if it can be shewn that it might be economical.

I have, &c.

P. MACFADYEN,
Chairman.

TELEGRAM DESPATCHED—1ST SEPTEMBER 1880.

To Secy., P.W.D., Rly. Branch. Simla. *From Chamber of Commerce, Madras.*

Chamber solicit attention telegram Public Works Minister thirteenth May intimating Duke requested train re-arrangements not to place Madras worse position than now. Chamber hear Government ordered Madras train arrive Bombay early morning. This will disorganize daily postal service Presidency, greatly retard internal communications, rob Madras advantages accelerated Overland Mail Service. Chamber deprecate change, until considered by dispassionate Committee informed of objects Government desire attain.

TELEGRAM RECEIVED—8TH SEPTEMBER 1880.

To Chamber of Commerce, Madras. *From Secy., P.W.D., Rly. Works, Simla.*

Your telegram first instant. No change in hour of departure of mail train from Madras is in contemplation. An earlier arrival at Bombay is desirable in connection with English Mail Steamer departure, but the difference of time is to be gained by

acceleration of speed of which Madras Railway is expected to make up one hour.

TELEGRAM DESPATCHED—9TH SEPTEMBER 1880.

To Secy., P.W.D., Rly. Works., Simla. *From Chamber of Commerce, Madras.*

Chamber beg express their thanks for Government's prompt and satisfactory communication. Chamber do not doubt ability Madras Railway save required hour. They are convinced acceleration mail trains is encouragement trade and helps development resources Empire.

Public Works Department, 24th August 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—Adverting to my letter dated 14th ultimo, No. 405 R, and to previous correspondence on the subject of the train service on the Madras Railway, I am directed to inform you that the Government of India have demanded, on behalf of the Director General of the Post Office, that, from the 1st October, the mail train from Madras shall arrive in Bombay at 8-15 A.M.

2. This Government further understand that the Government of Bombay have urged a still earlier arrival of the train in question, namely, that it shall reach Bombay at 6 A. M.

3. The hour of arrival in Bombay is at present 11-15 A. M.; and it is therefore clear that, even should the present rate of speed be maintained, the first of the above proposals will necessitate the departure from Madras of the North-west mail train at 3 P. M., and the second at 12-45 P. M.

4. This Government have not yet been informed whether any change is contemplated in the hour of departure from Bombay of the mail train to Madras.

5. The Agent of the Madras Railway Company has been requested to prepare, in communication with the G.I.P. officials, proposals for revising the mail service; and the proposed changes shall be communicated to you as soon as they are received.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Public Works Department, 11th September 1880.

To the Chairman Chamber of Commerce,
Madras.

Sir,—Adverting to my letter dated the 24th ultimo, No. 477 BR, and to your reply thereto dated the 4th instant, I am directed to inform you that the Government of India have decided that the mail train shall leave Madras at 6·15 P. M. as at present, and reach Bombay at 9 A. M.

2. The Agent of the Madras Railway Company has been requested to frame a time-table in accordance with that decision, and the details thereof shall be communicated to you in due course. The change will probably come into force from the 1st November 1880. I have, &c.,

J. H. M. Shaw-Stewart, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 5th October 1880.

To the Secretary Government of India,
Public Works Department, Simla.

Sir,—On the 9th ultimo I had the honor of telegraphing to you to say that the Chamber are thankful for the prompt and satisfactory communication that the Chamber received from you on the preceding day in reply to their telegram of the 1st idem, relative to the departure of the mail train from Madras to Bombay. The Chamber were especially gratified to learn that not only is no change in the hour of departure in contemplation by the Government of India, but also that His Excellency the Viceroy in Council has decided that an earlier arrival at Bombay is desirable. The Chamber, as I stated in my telegram under reference, are convinced that the acceleration of the mail trains is an encouragement to trade, and helps in the development of the resources of the Empire.

But my present object is chiefly to ask you to be so good as to inform His Excellency in Council that the Chamber are sensible of the important service that the Government of India have been the means of rendering to this Presidency, and have desired me to express on their behalf their acknowledgments of the prompt attention that His Excellency in Council was

pleased to give to the representation that the Chamber were constrained to make. I have, &c.,

P. MACFADYEN,
Chairman.

Simla, 16th October 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed by His Excellency the Governor General in Council to acknowledge your letter of the 5th instant on the subject of the declaration of the Mail train between Madras and Bombay. I have, &c.,

ALEX. FRASER, Major-General, R.E.,
Secretary.

Chamber of Commerce, Madras, 23rd October 1880.

TO THE JOINT SECRETARY TO GOVERNMENT,
P. W. Department, Railway Branch, Madras.

SIR,—On the 13th ultimo I had the honor of receiving your letter of the 11th idem, in which, by direction of His Grace the Governor in Council, you informed the Chamber that the Government of India had decided that the mail train shall leave Madras at 6-15 P. M. as at present, and reach Bombay at 9 A. M., and that the change will probably come into force from the 1st proximo.

I am now desired to say that the Chamber have learnt with regret, from the Agent's advertised notification, that under orders received from Government the contemplated changes in the train service which were to be introduced on the 1st November, will not come into force until further orders. It is stated by one of the local newspapers, that the Government of India have requested that the acceleration of the train on the North-west line may be postponed till the hour of starting the mail steamer is decided upon, and that the Agent of the Railway, at the instance of Government, has pressed upon his Directors in England the necessity for charging enhanced fares when the accelerated service comes into operation on the Company's system.

The Chamber have desired me to express their hope that the postponement of the new train service will not result in the loss to Madras of the advantage connected with the departure of the mail train for Bombay at 6-15 P. M. I have already, in my letter of the 7th instant to the Chief Secretary, stated with advertence to the Proceedings of Government, Financial Department, 2nd instant, that it is a matter of small moment to Madras whether there is a morning or evening departure from Bombay provided the mail train leaves Madras at 6-15 P. M. I beg to take this opportunity of impressing upon the Government, on behalf of the Chamber, that it is a matter of the greatest importance that the present arrangements for the arrival and the departure of the train shall not be relinquished. I am further directed to bring to the notice of Government, the disadvantage the Chamber labour under when they have to discuss matters of great importance with no data save casual advertisements and notes in the local newspapers. Government have, as a rule, placed at the disposal of the Chamber all papers relating to subjects interesting to trade and commerce, and I am to express a hope that this system will be continued. If there are any communications regarding the train service which have not yet been furnished to me, I respectively beg that Government will be pleased to place them at my disposal.

I have, &c.

P. MACFADYEN,
Chairman.

Public Works Department, 25th October 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—Adverting to my letter dated 11th September 1880, No. 524 B. R., and to your letter dated 23rd instant, I am directed to forward for the information of the Chamber of Commerce, a copy of the Proceedings of Government under date the 11th instant, No. 61 R, from which it will be seen that the Government of India have decided to postpone the proposed acceleration of the mail service between Madras and Bombay, until the hour of departure of the English mail steamer from Bombay is altered.

2. I am to inform the Chamber that, for the present, the existing arrangements for the mail service on the Madras Railway will continue in force unaltered.

3. With reference to the remarks contained in the last paragraph of your letter dated 23rd instant, I am to explain that the delay in communicating to the Chamber the Proceedings of Government herewith enclosed has been caused by the necessity of waiting for printed copies thereof.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D. Railway Branch.

Proceedings of the Madras Government, Public Works Department, 11th October 1880.

Read the following papers :—

Telegram from the Joint Secretary to Government, P. W. D. (Railway), Madras, to the Secretary to Government, P. W. D. (Railway) Bombay, dated 17th September 1880.

"Your No. 2,267 of 8th instant. Madras proposes that down mail should leave Raichore at 2-35 afternoon instead of 1-35 reaching Madras at 6-30 as now. Letter follows."

Telegram from the Secretary to Government P. W. D. (Railway), Bombay, to the Joint Secretary to Government P. W. D. (Railway), Ootacamund dated 22nd September 1880.

"Your telegram dated 17th and letter just received strong objections to later departure of mail Bombay propose earlier arrival at Raichore."

Telegram from the Joint Secretary to Government P. W. D. (Railway), Madras, to the Secretary to Government, P. W. D. (Railway), Bombay, dated 23rd September 1880.

"Your telegram 22nd. Please explain by wire strong objections to later departure from Bombay. Earlier arrival Raichore no advantage to Madras."

From Major G. W. OLDHAM, R. E., Acting Under Secretary to the Government of Bombay, P. W. D. (Railway) to the Joint Secretary to the Government of Madras, P. W. D. Railway, dated Bombay Castle, 29th September 1880, No. 2,424.

In continuation of my telegram, dated the 22nd instant, I am directed to explain that the same objections which have been urged by the Great Indian Peninsula Railway Company and by this Government against the earlier arrival of the Madras mail in Bombay

apply to a later departure. These objections are the crossing of the Bhor Ghat in the dark, and an inconvenient hour of arrival at Poona. Nothing could be more inconvenient than the hour (3 A.M.) fixed by the recent alterations for the departure of the up mail from Poona, and the Agent has declined to accept the responsibility of running passenger trains over the Bhor Ghat in the dark during the rains. The Government of India have therefore been informed that the time-table has only been accepted for the fair season.

The hour of arrival at Poona of the down mail which leaves Bombay at 2-30 P.M. is 8-15 P.M. A later arrival would not allow of the train ascending the Bhor Ghat by daylight, and would be exceedingly inconvenient for the passenger traffic on this section of the line. To accelerate this train to the same extent as the "Down" mail would bring it to Raichur at 12 noon, but this would make the arrival at Madras so early that His Excellency the Governor in Council prefers to leave it to the Government of Madras to decide how far the through time can be reduced, starting from Poona at 9 P.M. as at present.

From A. M. SAUNDERS, Esq., Agent and Manager, Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 25th September 1880, No. 738.

I have the honor, in reply to your No. 746 of the 14th instant, to forward you copies of letters from Traffic Manager and Locomotive Superintendent as to the increased expense of working the proposed revised train service.

2. The Locomotive Superintendent states that, so far as his department is concerned, there would appear to be no increase of cost, as the acceleration of speed will have to be wholly made up by reducing the stoppages at stations.

3. The Traffic Manager explains that it would be very difficult at present to estimate with any degree of accuracy the increased expense which will be involved.

4. I regret therefore that I am not in a position to state with precision what the increased cost will be. We shall have to run through many stations at which we at present stop, and between Guntakal and Raichur we shall probably have to arrange for a mixed service of trains to take the place of the mail train which is the only one now serving that district.

From A. M. SAUNDERS, Esq., Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 2nd October 1880, No. 754.

In reply to your letter No. 741 of 13th ultimo, I have the honor to forward you a revised time-table* for the service of trains all over this line.

The North-west mail trains have been timed in accordance with the requiremnts of the Government of India, while the trains on the

* (The Time-Table is not printed.)

South-west Line have been altered somewhat as laid down in the time-table forwarded to you with my No. 192 of the 10th March.

I shall be glad to receive the sanction of Government to the introduction of this time service on and after the 1st of November next, and, as much has to be done in the way of printing, &c., I hope that this sanction will be communicated to me with as little delay as possible.

From the Consulting Engineer for Railways, dated Madras, 6th October 1880.

SUBMITTED for the consideration of Government, with reference to their Proceedings, dated 11th September 1880, No. 524-A R., and 18th September 1880, No. 547 R.

2. The time-table for the North-west Line has been prepared in accordance with the latest orders received from the Government of India; and provides for the mail train reaching Raichur one hour earlier than at present, and leaving Raichur one hour later. The hours of departure from, and arrival at Madras remain the same as now.

3. The acceleration of the mail trains necessitates their running through 23 stations out of 35, between Arkonam and Raichur, without halting, and it has therefore been necessary to extend the local train service over the whole line. These local trains will in future run between Madras and Cuddapah, and between Cuddapah, Raichur, and Bellary, halting at every station. A through train, halting at every station, is not provided for.

4. The effect on the passenger traffic of the mail trains running through so many stations, without halting, cannot for some time be ascertained; but it is understood that other trains will be added hereafter if found necessary.

5. For the South-west Line, the time-table now proposed corresponds closely to that recorded in Proceedings of Government, dated 23rd March 1880, No. 210 R. The chief modifications are, the starting of the mail train from Madras at 5-30 P.M. instead of 5 P M., and the arrival of the mail train at Madras at 7-35 A.M. instead of 7-50 A.M.

6. It will be seen that the railway officials are at present unable to state what will be the extra cost entailed by the accelerated mail service on the North-west Line. On this point a report will be submitted in due course.

Telegram from the Secretary to the Government of India, P. W. D., Simla, to the Joint Secretary to the Government of Madras, P. W. D., Railway Branch, dated 7th October 1880.

"Government of India have decided to postpone acceleration Madras Bombay mail service till hour of departure of English mail steamer is altered."

ORDER THEREON, 11th October 1880, No. 610 R.

The Government are of opinion that the service of mail trains, proposed by the Agent of the Madras Railway Company, meets the views of the Government of India but the

consider that, on the introduction of the accelerated service, it will be essential to the proper development of the two pies passenger fare and to the maintenance of reasonable passenger accommodation, that there shall be continued a through train, running daily over the whole line in each direction, at moderate speed, and halting at every station.

2. Without this through train, the effect of the alterations required by the Government of India in the mail service will be that 23 stations on the North-west Line out of 35 between Raichur and Arkonam will be passed without stopping, besides seven between Arkonam and Madras. Thus a passenger from Rajampet to Muddanur (two important stations) now effecting the journey in three hours, will require sixteen hours; and this applies with more or less force to the majority of the stations between Arkonam and Raichur. The Agent will be requested to revise his proposals in this respect.

3. The Government observe that no proposal is made to enhance the fares to be charged to passengers for accommodation in the accelerated trains, and the Agent will be requested to bring this matter under his Board's consideration. The Government are inclined to the opinion that special fares should be charged on the introduction of the accelerated service, if those trains are to be made remunerative.

4. In accordance with the latest instructions from the Government of India, the introduction of the proposed alterations will be postponed.

5. The following letter will be addressed to the Government of India.

(Here enter No. 602 R., dated 11th October 1880.)

I have, &c,

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to the Govt., P. W. D. Railway Branch.

Chamber of Commerce, Madras, 29th November 1880.

TO THE SECRETARY TO THE GOVERNMENT,
Public Works Department.

SIR,—I have the honor to acknowledge receipt of your letter under date the 25th ultimo intimating that the Govern-

ment of India have decided to postpone the proposed acceleration of the mail service between Madras and Bombay, until the hour of departure of the English mail steamer from Bombay is altered.

The Chamber await with anxiety the decision of the Supreme Government upon this subject, and they still hope that it will appear to both the Government of India and the Government of Madras, that the commercial and public interests of this Presidency will be best studied by leaving undisturbed in any important degree, the present arrangements for the departure of mail trains from, and their arrival at Madras. The subject is one of great interest to the whole community, and the Chamber beg that no final orders thereon will be passed by the Madras Government until this Chamber have been permitted an opportunity for offering an opinion on such alterations of the local mail service as may be proposed.

I have, &c.,

P. MACFADYEN,
Chairman.

P.

OVERLAND MAIL SERVICE.

TELEGRAM DESPATCHED—14TH AUGUST 1880.

To Dtr. Genl. Post Office, Simla. — *From Chamber of Commerce, Madras.*

Chamber hope that departure of English mails from Bombay will continue as at present on Saturdays. This suits general Indian convenience. Bombay only wants change to secure holiday on Saturdays. Chamber submit this not sufficient reason to upset existing arrangements.

TELEGRAM RECEIVED—16TH AUGUST 1880.

To Chamber of Commerce, Madras. — *From Dtr. Genl Post Office, Simla.*

Your telegram sent to Government of India before whom English mail departure question is now pending. More by post.

Simla, the 16th August 1880.

To the Secretary Chamber of Commerce,
Madras.

Sir,—I have the honor to acknowledge the receipt of your telegram dated 14th August, expressing a hope that the present arrangement of despatching the overland mail steamer from Bombay on Saturday may be continued, that arrangement being the most suitable to India generally.

2. In reply, I would remark that, as intimated to you in my telegram No. 181 dated 16th August 1880, the whole question is now under the consideration of the Government of India in the Finance Department to whom a copy of your telegram under reply has been transmitted.

3. The Bombay Chamber of Commerce, as you are aware, originally objected to the existing arrangement of a Saturday evening departure on the ground of interference with their weekly half holidays. A Saturday morning departure of the steamer was then proposed which would effect, not only a saving of several hours in the detention of the overland mails at Bombay from all India (except Bombay itself) but also a further saving of about seven hours in Egypt.*

4. This proposal would entail an earlier departure† of the mail train from Madras of about three hours,‡ but would bring the overland mail about 15 hours earlier into London.

5. The Bombay Chamber have again protested against the contemplated Saturday morning departure of the steamer and the entire question is now pending, as already stated, before the Government of India for decision.

I have, &c.,

Fred R. Hogg,
Director Genl. of the Post Office of India.

* This is a night detention as the steamer cannot leave Alexandria before day light.

† This has, I believe been already determined on independently of the question now under consideration.

‡ The Madras mail would reach Bombay at about 8-15 A. M., and would leave India in the steamer about two hours later.

Proceedings of the Madras Government, Financial Department, 14th October 1880.

From R. B. CHAPMAN, Esq., Secretary to the Government of India, Department of Finance and Commerce, to the Chief Secretary to Government, dated Simla, 21st September 1880, No. 2,904.

I am directed by the Governor General in Council to request that, with the permission of His Grace the Governor in Council of Madras you will communicate to the Madras Chamber of Commerce the accompanying despatches from Her Majesty's Secretary of State for India to the Government of India No. 130, dated 22nd April, and Nos. 270 and 271, both dated 19th August, transmitting Memorials from the Chambers of Commerce of Manchester, Huddersfield, Glasgow, Liverpool and Dundee, from the Chartered Bank of India, Australia and China, and from the "Leading Firms and Companies in London interested in the Indian Mail Service," in which the Memorialists represent the inconvenience felt in Great Britain in consequence of the despatch of the English mails from Bombay, on Saturday.

2. In his despatch No. 271, Lord Hartington also informs the Government of India that, on the 5th August, he received a very important deputation of gentlemen representing the various Chambers of Commerce, Banks and Mercantile Bodies interested in this question.

3. In order to meet the views of the mercantile community of Great Britain in this matter, which appear to the Marquis of Hartington to be reasonable, His Lordship suggests that the mails be despatched from Bombay on Thursday, in the fair season, and on Monday, in the Monsoon.

4. This proposal assumes that the mails will continue to leave Bombay, in the evening as heretofore. The Governor General in Council, however, was disposed, before the receipt of Lord Hartington's Despatch, to conclude that the interests of the general mercantile community of India required that the mails should be despatched from Bombay, not, as heretofore, in the evening, but in the morning, as soon as possible after the arrival of the mail trains in Bombay. This alternative would certainly

involve the detention through the night, of the mails, originating in Bombay itself and the immediate neighbourhood; but, owing to the impracticability of the mail steamer leaving Alexandria Harbour in darkness, a morning despatch from Bombay, as compared with the despatch of the mails the previous night, would cause a delay of only eight hours in the delivery of the mails in London; or, putting the case otherwise, if the mails are despatched in the morning from Bombay, instead of, say, eight hours later in the evening, they will be delivered in London sixteen hours earlier.

5. It seems possible that, under these circumstances, the mercantile community of Great Britain might be satisfied if the mails were despatched from Bombay on Friday morning in the fair season and Tuesday morning in the Monsoon, which would involve the closure of the mails at—

	In the Fair Season.	In the Monsoon.
Calcutta	... Tuesday,	Saturday.
Madras	... Wednesday.	Sunday.

6. The interests of the mercantile communities of the Presidency Towns appear to the Governor General in Council to be almost exclusively concerned in this matter. The Government and the general community are, comparatively, indifferent as to the days of the week on which the mails leave Bombay.

7. I am, accordingly, to request that the Madras Chamber of Commerce may be requested to state, at its earliest possible convenience, its final views upon the whole subject, intimating—

1*st*.—Whether, it desires that the mails should start from Bombay in the morning at about 10 A. M., or in the evening at sunset.

2*ndly*.—Whether, in its opinion, the interests of the mercantile community will suffer, if the principle of one fixed day for the departure of the mails from Bombay be surrendered:

3*rdly*.—If that principle should be maintained, on what fixed day in the week, the mail should leave Bombay:

4*thly*.—If the day of departure should vary with the season, what day should be fixed in the fair season, and what in the Monsoon.

8. In dealing with this subject, the Chamber of Commerce will, doubtless, bear in mind that, from the nature of the case, it

is impracticable to make such arrangements as would be the most convenient possible, even, for each of the three Presidency Towns; and that the arrangements which are required in the interests of Great Britain cannot, apparently, be made to conform to the interests of the Presidency Towns in India. Under these circumstances, it seems necessary that those whose interests conflict, should, each, concede as much they can without sacrificing what seems to them indispensable. It is desirable therefore that the Chamber, while stating the arrangement which would most completely suit the local convenience, should specify the extent to which it considers that the local interest might, out of consideration for the interests of other communities, be surrendered without too great inconvenience.

9. It will be understood that, inasmuch as the interests of the mercantile communities of India and Great Britain appear to conflict in this matter, it may not be in the power of the Governor General in Council to secure the adoption of the alternative desired in India, or which may seem to him the best in the general Indian interest. All that His Excellency in Council can do is to take care that the interests of India are clearly recognised and fully weighed.

From the Secretary of State for India, to the Government of India, dated 19th August 1880, No. 271 (Financial.)

In continuation of my despatch of this day's date, No. 270, on the subject of the date of the mails leaving Bombay, I forward a copy of a further memorial from the Chamber of Commerce at Dundee; and I have to inform your Excellency that on the 5th instant I received at this office a very important deputation of gentlemen representing the various Chambers of Commerce, Banks and Mercantile bodies interested in the question.

2. A strong feeling was expressed by them in favor of a restoration of the system under which letters used to be delivered in London on Monday, which would imply a departure from Bombay on Wednesday in the fair season and on Monday during the monsoon.

3. It was suggested that, if it was necessary to have a fixed day for the departure from Bombay throughout the year, Tuesday would be the most suitable; but this is open to the objection that the mails would arrive in London on Sunday during the larger portion of the year. A departure from Bombay on Wednesday would seem to meet the views of all those in the United Kingdom who are interested in the subject, except that during the monsoon letters would not be delivered in Scotland in time for a reply the same week.

4. I am much impressed with the importance of meeting the views of the mercantile community in this matter, which appear to me to be reasonable, and I cannot avoid the conclusion that the plan of having one fixed day of the week for the departure from India all the year round must be given up. If this concession be made by India, the precise days to be fixed for the departure of the mails from Bombay may be left to be mainly determined by the convenience of the mercantile community in India, subject to the condition that the mail shall arrive in London not later than Tuesday. So far as I am able to judge, a despatch from Bombay on Thursday in the fair season and Monday in the monsoon will best secure this result, as this will admit of the mails leaving Calcutta on Monday and Friday, and Madras on Tuesday and Saturday respectively, arriving in London in the fair season on Tuesday and in the monsoon on Monday.

5. It is understood that the Peninsular and Oriental Steam Navigation Company require four months' notice of any change, so that there is an urgent need of settling the dates in order that the Time Tables for 1881 may be prepared forthwith.

6. I shall be glad to learn your Excellency's reply by telegraph as early as possible.

Order.—Copy of this letter and its enclosure will be referred to the Madras Chamber of Commerce, with request that they will favor this Government, at their earliest convenience, with their final views on the points noted in paragraph 7 of the letter.

R. DAVIDSON,
Chief Secretary.

2nd October 1880.

Chamber of Commerce, Madras, 8th October 1880.

TO THE CHIEF SECETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to acknowledge receipt of the Proceedings of Government, Financial Department, 2nd instant, referring for the opinion of the Chamber, the Proceedings of the Government of India, 21st ultimo, on the subject of the departure of the mail steamer from Bombay.

2. In reply to the questions suggested by the Supreme Government, I am desired to say :—

(1.) It is a matter of small importance to Madras whether there is a morning or evening departure from Bombay, provided the mail train leaves Madras for Bombay at 6-15 P. M.

(2.) The Chamber do not consider that a fixed day of departure from Bombay all the year round is of essential importance to mercantile interests in Madras.

(3.) But if a fixed day be maintained the present day (Saturday) is as convenient for Madras as any other.

(4.) On the other hand if the day of departure should in the opinion of Government vary with the season, then the Chamber would approve of the adoption of Lord Hartington's suggestion for a despatch from Bombay on Thursday in the fair season, and Monday in the monsoon, which would render it necessary for the mails to leave Madras on the evenings of Tuesday and Saturday respectively. The mails in that case will be closed as follows :—

	Calcutta.	*Madras.*	*Bombay.*
Fair Season.....	Monday.	Tuesday.	Thursday.
Monsoon.....	Friday.	Saturday.	Monday.

The Chamber are not unmindful of the inconvenience of closing the mails on Saturdays, but it is, they know impossible to fix days which will be convenient to all India as well as London, Lancashire, and Glasgow. The Secretary of State desires to choose the days which are most likely to suit the majority of those interested ; and, as the above arrangement will deprive no commercial centre of the rest of Sunday, the Chamber are willing to risk the loss during the South-west monsoon of the Saturday half holiday.

I have, &c.,

P. MACFADYEN,
Chairman.

ORDER THEREON, 14th October 1880, No. 1,960.

Ordered that the following letter be sent to the Government of India :—

(Here enter No. 1,961, dated 14th October 1880.)

R. DAVIDSON,
Chief Secretary.

Q.

MAIL TRAIN SERVICE ON THE SOUTH INDIAN RAILWAY.

Chepauk, 13th July 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to forward copy of Proceedings of Government, No. 368 R., dated 24th June 1880, on the subject of

the revised train service on the South Indian Railway, which comes into effect from the 1st August next. I have, &c.,

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Proceedings of the Madras Government, Public Works Department, 24th June 1880.

Read the following paper :—

From W. S. BETTS, Esq., Agent of the South Indian Railway, to the Consulting Engineer for Railways, dated Negapatam, 14th June 1880, No. 9,181.

Your letter No. 489 of the 19th ultimo. During last week the Chief Engineer inspected the Chingleput-Walajabad section and he reports to me that it will not be possible to have ready for public use that portion of the line before the 15th proximo.

2. It would be possible for us to work the mails between those two stations from the 1st proximo, but I do not advocate this being done unless Government consider it a matter of urgency, and they wish the Company to undertake the work.

3. In compliance with your wish I have drawn out a skeleton time-table showing how the mails can be worked from and to Arkonum *via* Conjeeveram, Walajabad and Chingleput.

4. I consider advantage should be taken of this change in our train arrangements to introduce an amended local service. We are losing a large number of passengers for want of a morning train in the northern part of the Tanjore district, and a return train in the afternoon, with connecting trains on the Negapatam Branch.

5. One way of meeting this want is shown in the accompanying time bill, viz., by starting at 1-40 P. M., the train which now leaves Egmore station at 5 A. M., and by running it through to the Tanjore District. This would necessitate night running over the Ponniar valley and the additional cost of a night staff between Chingleput and Cuddalore. The former you have already reported against, and if Government are still disinclined to sanction the running of trains at night over the Ponniar valley, I would meet the object I have in view by the following arrange-

ment of the local trains, the adoption of which would not increase the night staff nor the train mileage:—

Leave Madras at 1-40 P. M., (instead of at 5 A. M.),
Arrive Chingleput 4-43 P. M., (rest the night),
Leave do 5 A. M.,
Arrive Mayavaram 5-20 P. M., (rest the night),
Leave do 5-20 A. M.,

and then on as per accompanying time bill.*

6. The return journey would be as per time bill up to Mayavaram, at which station the train would arrive at 7-30 P. M., and rest the night.

Leave Mayavaram 5 A. M.,
Arrive Chingleput 6 P. M., (rest the night),
Leave do. 7-47 A. M.,
Arrive Madras 10-40 A. M.,

a slight alteration might be made in the time of leaving Chingleput and arrival in Madras, say depart 7 A. M., arrive 10 A. M.

7. The Nos. 6 and 7 trains I propose to run between Egmore and Palaveram only, a saving of 46 miles per idem.

8. I propose to retain the night trains on the Negapatam Branch running in connection with the mail trains. During the last three months the average number of third class passengers per night train on the Tanjore-Negapatam section works out to 224, besides which these trains are of great convenience in departmental working, and by keeping them on we shall save the running of special trains. In March a special train was run over this section on 20 days out of the 31, and in the following month the same number of special trains had to be worked. The returns for May have not yet reached me.

From the Consulting Engineer for Railways, dated Madras, 21st June 1880.

SUBMITTED for the consideration of Government.

2. In connection with the orders passed respecting the train service on the Madras Railway in Proceedings of Government, dated 23rd March 1880, No. 210 R., the Agent of the South Indian Railway Company was requested to submit proposals for

* (The Time-Table is not printed.)

slight alterations in his train arrangements at the two junction stations of Arkonam and Erode. Those alterations are provided for in the letter now laid before Government.

3. Mr. Betts is of opinion that advantage should be taken of those changes to introduce an improved local service. He states that the Company are at present losing a large number of passengers for want of a morning train in the north of the Tanjore district, and a return train in the afternoon, with connecting trains on the Negapatam Branch. To remedy this want he submits for consideration a draft time-table, the principal feature of which is that the slow (or local) train is timed to leave Madras at 1-40 P. M., instead of 5 A. M., and to run through to Madura without a halt, corresponding changes being proposed for the return train and on the branch lines.

4. Before submitting these proposals officially, Mr. Betts asked my opinion regarding them, and I pointed out that there appeared to be three strong objections:—

(1). That they entailed the heavy additional cost of a night service between Chingleput and Cuddalore over 93 miles of line.

(2.) That they entailed running across the Ponniar valley after dark.

(3.) That they contained no provision for day trains between Cuddalore and Kuttalam, a distance of 52 miles, through a fertile and populous tract.

5. In his letter now before Government, the Agent suggests an alternative arrangement, the adoption of which is free from the objections quoted above. It provides for the slow train leaving Madras at 1-40 P.M. and running to Chingleput, leaving Chingleput the next day at 5 A.M. and running to Mayavaram, leaving Mayavaram at 5-20 A.M. the third day and running to Madura as per draft time-table.* Also for corresponding trains on the branches, and for return trains in correspondence. Mr. Betts observes that this alternative arrangement will not increase the night staff nor the train mileage.

6. I concur with the Agent that experience has shown the existing arragements to be defective in the accommodation offered

* (The Time-Table is not printed.)

between Mayavaram and Tanjore. I have also held all along that the timing of the slow trains from and to Madras was wrong. The slow train leaves Madras 2½ hours before the mail train, and reaches Cuddalore 57 minutes before it, running in advance the whole way. Similarly with the return trains.

7. The alternative arrangements now suggested by the Agent dispose of these objections to the existing service, and they are recommended for approval.

8. It will be observed that the completion of the Chingleput-Walajabad section is not now expected before the 15th July, and it is suggested that the introduction of the revised arrangements, if approved, be sanctioned with effect from the 1st August.

ORDER THEREON, 24th June 1880, No. 368 R.

The alternative arrangements proposed in the Agent's letter are approved on the understanding that they entail no increase in the night staff or in the train mileage.

2. The introduction of those revised arrangements is sanctioned with effect from the 1st August 1880.

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Chamber of Commerce, Madras, 7th August 1880.

TO THE JOINT SECRETARY TO GOVERNMENT,
Public Works Department, (Railway Branch.)

SIR,—I have the honor to acknowledge receipt of your letter of the 13th ultimo, handing for the information of the Chamber the Proceedings of the Government, 24th June, No. 368 R, sanctioning the introduction from the 1st instant of a revised train service on the South Indian Railway.

The Chamber have desired me to submit for the consideration of the Government that the revised arrangements do not meet the reasonable wishes of the mercantile community. At present the down train, with letters from the Southern districts, arrives in Madras at 4-30 P. M., and the mails which it brings are delivered at 8 A. M. the following day, but cannot be replied to

until the despatch of the next up train, which leaves Madras at 7 A. M. the following day. Consequently the reply by post to a letter which reached Egmore terminus at 4-30 P. M., on Monday does not leave Egmore for its destination until 7 A. M., on Wednesday. It seems to the Chamber that by shifting the night portion of the train service, the mail train might arrive at Madras early in the morning, and leave Madras late in the afternoon without any increase being necessary in working expenses. And this shifting should be welcome at the other end of the line, for at present the mail train from Madras reaches Tuticorin at 6-15 P. M., and the train for Madras leaves Tuticorin the following day at 6-30 A. M., so no time is afforded merchants at that port for replying by return post to emergent letters which arrive after office hours.

I have, &c.,

P. MACFADYEN,
Chairman.

Public Works Department, 18th August 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—In acknowledging receipt of your letter dated 7th instant, I have the honor to observe that the points to which you therein take exception in the train arrangements on the South Indian Railway are not fully understood, and to request that the suggestions for the improvement of the service may be illustrated by figures, showing the hours of arrival and departure at Madras and Tuticorin recommended by the Chamber.

2. In your letter, it is stated that "by shifting the night "portion of the train service, the mail train might arrive in "Madras late in the afternoon, without any increase being neces- "sary, in working expenses." This suggestion is not clear. At present, the mail train from Tuticorin and the south reaches Madras at 5-20 P.M.; the hour being fixed with reference to the departure of the mail trains on the Madras Railway.

I have, &c.,

J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt. P. W. D. Railway Branch.

Chamber of Commerce, Madras, 25th August 1880.

To the Joint Secretary to Government,
Public Works Department, Railway Branch.

Sir,—I have the honor to acknowledge receipt of your letter, under date the 18th instant, in which you remark that a suggestion which you quote from the Chamber's letter of the 7th idem is not clear. I regret that there was an accidental omission, for the passage should have run as follows:—"It seems to the Chamber that by shifting the night portion of the train service the mail train might arrive at Madras early in the morning and leave Madras late in the afternoon, &c."

You observe that the points to which the Chamber take exception in the train arrangements of the South Indian Railway are not fully understood, and you request that the suggestions for the improvement of the service may be illustrated by figures.

The Chamber have now worked out an amended time-table, based on the assumption that the speed of the trains will be unaffected by the shifting of the night service. It is as follows:—

Up.	Present.	Proposed.	Down.	Present.	Proposed.
Madras ... Dep.	7.30 A.M.	6 P.M.	Tuticorin ... Dep.	6.30 A.M.	6 P.M.
Palaveram. Arr.	...	...	Maniyachi.. Arr.	7.50 ,,	7.20 ,,
Chingleput. ...	10.19 A.M.	8.49 P.M.	Madura	1.15 P.M.	7.45 A.M.
Villupuram ...	3.21 P.M.	1.51 A.M.	Trichinopoly ...	8.40 ,,	8.10 ,,
Cuddalore	5.36 ,,	4.6 ,,	Tanjore	10.53 ,,	10.23 ,,
Mayavaram. ...	...	...	Cuddalore... ...	6.35 A.M.	6.5 P.M.
Tanjore	1.12 A.M.	11.42 A.M.	Villupuram. ...	9 ,,	8.30 ,,
Trichinopoly ...	3.28 ,,	1.58 P.M.	Chingleput.. ...	2.36 P.M	2.6 A.M.
Madura	10.37 ,,	9.7 ,,	Madras	5.25 ,,	4.50 ,,
Maniyachi	4.55 P.M.	3.25 A.M.			
Tuticorin	6.15 ,,	4.45 ,,			

The down (Madras Railway) train, from Coimbatore to Madras, leaves Erode at 6.5 P.M., and the up train, Madras to Coimbatore, leaves at 5.10 A.M.

The South Indian Railway train leaves Erode at 6.45 A.M., and arrives at Trichinopoly at 12.15 P.M.

The South Indian Railway train leaves Trichinopoly at noon, and arrives at Erode at 6.5 P.M.

At present passengers and mails from stations in the Madura and Tinnevelly districts bound for Erode, the Hills, &c., arrive at

Trichinopoly at 8-40 P.M., and are detained there (unless there is a local train) nearly 15½ hours. By the above re-arrangement the detention would be reduced to a little less than four hours.

At present passengers and mails from the Hills and Erode to Madura and Tinnevelly stations reach Trichinopoly at 12-15 P.M., and (unless there is a local train) are detained there 15¼ hours. Under the proposed arrangement they would be detained about 1¾ hours.

The Chamber must be pardoned for regarding the present arrangement as being as inconvenient a one to the general public and to trade as could well be devised, and they cannot but think that the time-table might be easily recast without imposing any additional burden on the Company or the Government. At both ends of the line, mails, passengers and goods are liable to a detention that is vexatious and avoidable, and little effort seems to have been made to atone for the very low rate of speed on the line by so adjusting the hours of arrival and departure as to reduce detentions to the lowest possible minimum. For example, take the case of a passenger who comes to Madras to transact business that may occupy three or four hours. Under present arrangements he arrives here at 5-20 P.M., and he must sleep here two nights; whereas, by the Chamber's proposal, he would arrive early in the morning and would be able to leave again in the afternoon, as he will have ample time to complete his business. The Chamber in their previous letter referred to the great inconvenience of the present time-table as regards the mails. They hope, therefore, that the Government may be pleased to reconsider an arrangement which does not seem to the Chamber to show that regard for the reasonable convenience of the public which the public are fairly entitled to expect.

I have, &c.

P. MACFADYEN,
Chairman.

From W. S. BETTS, Esq., Agent, South Indian Railway, to the Consulting Engineer for Railways, dated Negapatam, 20th November 1880, No. 9,838.

Your letter No. 1,098 of the 15th instant. A night train service is most convenient for through passengers and for the

conveyance of mails, but it is not suitable for the local passenger traffic. In framing the time table therefore my object has been to concentrate as much as possible the night service.

Both the up and the down through night service is now confined to the section of line between Cuddalore and Vyampatti, a distance of about 152 miles, The service of through trains suggested by the Madras Chamber of Commerce would require night running over nearly double that extent of line (Madras to Chidambaram and Vadamadura to Tuticorin), and the cost of working would be correspondingly increased.

It would further necessitate night running on the Tinnevelly, Pondicherry, and Conjeeveram Branches to place those towns in connection with the through train service.

For the Madras mails the service suggested by the Chamber of Commerce would certainly be more convenient than the one at present in force; but I wish to point out that the adoption of their proposal would cause delay to the mails passing between the Northern and the Southern Districts of the Presidency, and our English letters would have to be kept for twelve hours either in Madras or at Arkonam.

Passengers between Madura and Erode can at present travel in both directions without detention (other than for refreshment purposes) at Trichinopoly. The passenger traffic from stations south of Madura to stations west of Erode is very small indeed.

The Erode Branch too would be thrown out of connection with the through train from Trichinopoly to Tanjore, Kumbakonam, Cuddalore, &c., unless night running over a portion of the branch was arranged.

Endorsement of the Consulting Engineer for Railways, dated Madras, 25th November 1880, No. 304.

SUBMITTED for the consideration of Government, with reference to the letters from the Chamber of Commerce, dated 7th and 25th August 1880, which were referred to this office for report.

2. As pointed out by the Agent, the Chamber's proposal involves a doubling, not a "shifting," of the night portion of the train service, with corresponding increase in cost of working.

The journey between Madras and Tuticorin is at present performed in two days and one night; by adopting the Chamber's proposal, it would be performed in one day and two nights.

3. The hours of the departure and arrival of the South Indian mail trains were fixed with reference to those of the Madras Railway mail trains, so as to allow mails and passengers to be taken forward without delay. The Agent remarks that the adoption of the Chamber's proposal would entail a delay of twelve hours in the postal communication.

4. Mr. Betts further remarks that the changes proposed by the Chamber would inconveniently affect the local passenger traffic, which is chiefly native.

5. One point which has an important bearing on the service proposed by the Chamber, consists in the Ponniar valley forming part of the line which would be run over at night. The conditions which affect the safety of the railway where it crosses this valley, between the Villupuram and Panruti Stations, have been more than once brought to notice. Those conditions are such that the railway, for a distance of several miles, is liable to be attacked by the river at any point; and the line has, in consequence, been carried close to the surface of the country, in order to admit of the river floods passing freely over it. Under existing circumstances, I am of opinion that the running of night trains between Villupuram and Panruti, during the months when floods may be expected, would be attended with considerable risk; and, if only on this ground, I recommend that the introduction of the change advocated by the Chamber be postponed.

ORDER THEREON, 8th December 1880, No. 722 R.

The objections against the train service suggested by the Chamber of Commerce on the South Indian Railway are—

(1.) That it would cause a break in the through mail service, which has hitherto been treated as one from Raichore to places on the South Indian line, resulting in a twelve hours' delay to the post.

(2.) That it would add considerably to the working expenses.

(3.) That the portion of line which runs across the Ponniar valley, between Villupuram and Panruti, is at present insecure for night running.

2. In view of these objections, the Government do not consider that the Chamber's proposal can be adopted.

3. The following letter will be addressed to the Chairman, Chamber of Commerce.

J. H. M. SHAW-STEWART., Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

Public Works Department, 8th December 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge receipt of your letters, dated 7th and 25th August 1880, and in reply thereto to forward copy of the Proceedings of Government, dated the 8th December 1880, No. 722 R., from which you will see that the Government are not able at present to adopt the Chamber's proposals for altering the mail train service on the South Indian Railway.

I have, &c.,
J. H. M. SHAW-STEWART, Col., R.E.,
Joint Secy. to Govt., P. W. D., Railway Branch.

R.

REGISTRATION OF TRADE MARKS.

Proceedings of the Madras Government, Judicial Department, 31st May 1880.

Read the following letter:—

From the Government of India, Legislative Department, dated 9th March 1880, No. 361.

I am directed to forward herewith forty copies of a Bill (No. II) to provide for the Registration of Trade Marks, together with the Report of the Select Committee thereon, and to request that you will be so good as to favor the Government,

of India in this Department by the 1st August next with the opinions of the Chamber of Commerce, the Advocate General and the Hon'ble Judges of the High Court on the provisions of the Bill.

ORDER THEREON, 31st May 1880, No. 1,293.

This letter was discovered only on the 26th instant at Madras inside the Banghy parcel containing 40 copies of the Bill. The circumstance will be brought to the notice of the Government of India.

2. Copies of the letter with copies of the Bill (No. II) to provide for the registration of Trade marks and report of the Select Committee thereon, will be forwarded to the Hon'ble the Judges of the High Court, the Advocate General and the Chamber of Commerce with a request that they will be good enough to favor the Government of India with their opinions on the Bill.

3. The replies should reach this Government by the 15th July at latest.

R. DAVIDSON,
Chief Secretary.

Chamber of Commerce, Madras, 9th July 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—I have the honor to acknowledge receipt of the Proceedings of the Madras Government 31st May, No. 1,293, forwarding for the opinion of the Chamber a copy of the Bill of the Government of India to provide for the registration of Trade marks, together with a copy of the Report of the Select Committee of the Viceregal Legislative Council thereon.

An attentive consideration of the Draft Bill and of the Special Committee's Report has been insufficient to satisfy the Members of this Chamber of the need of the proposed measure. The fact that a large trade in a great variety of articles bearing trade marks has been for years transacted in this city without merchants being caused serious inconvenience by the infringement or misappropriation of marks, would seem to point to the inexpediency of the Government stepping forward to supply

a remedy for abuses which, though alleged to exist, are not familiar to those in this part of the country who would be the first to suffer from them.

The Chamber therefore have instructed me to say that, without hazarding any opinion about the want of the measure in the other Presidencies, they feel bound to state that the necessity for its introduction into Madras has yet to be shewn. Should the Government of India therefore pass this Bill, the Chamber would respectfully urge the Madras Government to deprecate any expense in the creation of any separate Department in this Presidency for giving effect to it. They would also impress upon His Grace the Governor in Council the expediency of so modifying the measure as to relieve it of its present indirect compulsory character. They observe that the members of the Select Committee admit that "none of us here have had any experience of the working of any system of Registration of Trade marks." This seems to the Chamber evidence that the Government of India may well be cautious about making an addition to the Statute Book in the interests of trade the want of which is not self-apparent to traders themselves.

I have, &c.,

P. MACFADYEN,
Chairman.

S.

THE NEW POST AND TELEGRAPH OFFICE.

Chepauk, 17th January 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 24th December 1879, with regard to the new Post and Telegraph Office at Madras, and to inform you that it has been forwarded to the Government of India for consideration.

I have, &c.,

J. PENNYCUICK, Major, R.E.,
Ag. Under Secy. to Govt., P. W. D.

Proceedings of the Madras Government, Public Works Department, 13th February 1880.

Read the following paper :—

From Major General A. FRASER, R. E., Secretary to the Government of India, Public Works Department, (Account-General,) to the Secretary to the Government of Madras, Public Works Department, dated Fort William, 31st January 1880, No. 53 A.—G.

I am directed to acknowledge receipt of your No. 4 W., dated 3rd instant, and, in reply, to say that the Government of India regrets that it is impossible to assign funds for the commencement of construction of the combined Post and Telegraph Office at Madras at present. The Government of India will, however, bear in mind the desirability of having this building put in hand as soon as possible. When funds are available to allow of this work being pushed to completion without delay, the Government of Madras may depend on the necessary grants being placed at its disposal.

ORDER THEREON, 13th February 1880, No. 332 W.

Communicated to the Chamber of Commerce, with reference to their Chairman's letter of the 24th December 1879.

J. PENNYCUICK, Major, R.E.,
Ag. Under Secy. to Govt., P. W. D.

Chamber of Commerce, Madras, 8th March 1880.

TO THE SECRETARY TO GOVERNMENT,
Public Works Department.

SIR,—The Chamber regret to learn from the Proceedings of the Madras Government, P. W. D., of 13th ultimo, No. 332 W, that the commencement of the building for the new Post and Telegraph Office at Madras has again been deferred. The Chamber, however, are glad to observe that the Government of India admit the desirability of having this building put in hand as early as possible, and seeing that the Budget Statement reveals a more hopeful financial outlook than was anticipated at the time that the Madras Post Office estimate was struck out of the Budget for the current year, they would

earnestly invite the Government of India to re-consider their decision. After considerable waste of time and money work was commenced during the past year, but no sooner had a few sheds been erected, and some materials been collected, than a Public Works order was issued to stop the work. The Chamber submit that as that order was issued under a misapprehension of the probable financial position at the present time, it should, so far as the Madras Post Office is concerned, be revoked. The building is urgently needed, and in the interests of economy it should be constructed and opened for public use without further delay.

I have, &c.,
P. MACFADYEN,
Chairman.

Fort Saint George, 16*th March* 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—I am directed to acknowledge the receipt of your letter of the 8th instant, in regard to the new Post and Telegraph Office at Madras, and to inform you that it has been forwarded to the Government of India.

I have, &c.,
J. PENNYCUICK, Major, R.E.,
Ag. Under Secy. to Govt., P. W. D.

Proceedings of the Madras Government, Public Works Department, 30*th April* 1880.

Read the following letter:—

From the Government of India, Public Works Department, No. 179 A. G., dated 22nd April 1880.

In reply to your letter No. 659 A. W., dated 16th ultimo, I am directed to inform you that the Government of India has been pleased to sanction an additional grant of Rs. 1,00,000 for outlay on the new Post and Telegraph Office at Madras during 1880-81. No part of this grant is to be re-appropriated for outlay on other works, but if the full amount now allotted cannot be spent during the year, the Government of India should be informed of the circumstance as early as possible.

ORDER THEREON, 30th April 1880, No. 1,057 A. W.

Communicated to the Consulting Architect to Government who will proceed with the work at once.

R. H. SANKEY, Col., R.E.,
Secy. to Govt., P. W. D.

T.

THE INTRODUCTION OF THE TELEPHONE.

Simla, 13th November 1880.

TO THE SECRETARY CHAMBER OF COMMERCE,
Madras.

SIR,—The Government of India having under consideration the question of introducing the Telephone into India as part of the machinery of the Telegraph Department, and of establishing Telephonic communication wherever there is a reasonable promise of its being advantageously worked, I am directed to request that you will obtain for the information of the Government of India, an expression of the opinion of the Madras Chamber of Commerce on the subject generally, and also as to how far in its opinion a Telephonic Exchange, if introduced, is likely to be availed of in Madras.

I have, &c.,
ALEX. FRASER, Major-General, R.E.,
Secy to the Govt. of India.

Chamber of Commerce, Madras, 8th December 1880.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,
Public Works Department (Telegraphs.)

SIR,—I have the honor to acknowledge receipt of your letter, under date the 13th ultimo, requesting the opinion of this Chamber on the introduction of a Telephonic Exchange in this City, and I am desired to inform you that the Chamber entertain the belief that if the subscriptions are moderate such an exchange would be used to a considerable extent by the merchants of Madras.

I have, &c.,
P. MACFADYEN,
Chairman.

U.

THE USE OF ARSENIC IN TRADES.

Proceedings of the Madras Government, Judicial Department, 24th April 1880.

Read the following paper:—

From E. STACK, Esq., Officiating Under Secretary to the Government of India, Home, Revenue, and Agricultural Department (Judicial), to the Chief Secretary to Government, dated Fort William, 20th March 1880, No. 5-307.

I am directed to forward the accompanying communication* from the Government of the North-Western Provinces and Oudh on the subject of certain inquiries made by Mr. Spedding, Officiating Magistrate of Gorakhpur, in regard to the sale and use of arsenic for the purpose of cattle poisoning.

2. I am to inquire whether His Grace the Governor in Council would advise the enactment of any law restricting the sale of arsenic, as proposed by the Government of the North-Western Provinces and Oudh, and, if so, to request that you will be good enough to state how far arsenic may be regarded as necessary for manufactures, such as tanning or the curing of hides, in the Madras Presidency.

ORDER THEREON, 24th April 1880, No 964.

The Chamber of Commerce and Trades Association will be requested to favor Government with their opinion as to the use of arsenic in trades generally, and the Commissary-General will report about its use for the purpose of tanning.

J. DAVIES,
for Chief Secretary.

Chamber of Commerce, Madras, 19th May 1880.

TO THE CHIEF SECRETARY TO GOVERNMENT,
Ootacamund.

SIR,—The Chamber have desired me to state that they are unable, with reference to the Proceedings of Government of the

* (Not Printed.)

24th ultimo, to offer an opinion on the use of arsenic in trades generally. It is observed that the Madras Government are asked by the Government of India to state how far the metal may be regarded as necessary for manufactures such as tanning, or the curing of hides in this Presidency. The Chamber were not aware that this poisonous substance was employed as a tanning material here, or elsewhere. There are, they learn, about 10 shops in this city, where arsenic is sold, and the sales are said to average about 12 oz., only per annum per shop. The price is about 1¼ anna per oz., for the white, and 1½ anna per oz., for the yellow description.

The Chamber observe that the Supreme Government have been invited by the Government of N. W. Provinces to enact a law to restrict the sale of arsenic. In the City of Madras some restriction seems already to exist, for the vendors allege that they can only sell arsenic to recognised medical practitioners. But it is an old complaint that poisons are freely sold in the bazaars in all parts of the country at prices which bring them within the reach of all classes, and the Chamber can see no possible objection to the introduction of a law which would define the responsibilities of dealers in poisons.

I have, &c.,

P. MACFADYEN,
Chairman.

V.

THE DEFINITION OF MACHINERY.

Sea Customs Collector's Office, Madras, 6th March 1880.

TO THE CHAIRMAN CHAMBER OF COMMERCE,
Madras.

SIR,—The Government of India consider it desirable that an authoritative definition should be made of what should be deemed "machinery" for the purposes of the Customs Tariff, there being great difference both in opinion and practice.

2. It has been suggested from one quarter that machinery for improvement of the communications and for development

of the resources of the country and for purposes of printing, lithography, engraving, and such like should be admitted free. Another suggestion is to publish a list of articles now ordinarily passed free as machinery in each Custom House with definite instructions as to their future treatment, and to prescribe that no article should be added to the list and passed as machinery without previous reference to the Government of India.

3. The Local Board of Revenue consider that it will be extremely difficult to frame any definition of the term "machinery" which will not give room for doubt and diversity of practice, and prefer adopting the second alternative, and in this view I entirely concur.

4. The views of the Chamber are requested on the question.

I have, &c.,

R. J. MELVILLE,
Collector of Sea Customs.

Chamber of Commerce, Madras, 5th April 1880.

TO THE COLLECTOR OF SEA CUSTOMS,
Madras.

SIR,—I am desired to inform you, with reference to your letter of the 6th ultimo, that the Chamber concur with you, and with the Board of Revenue, in thinking that it will be desirable to publish in each Custom House, under certain regulations, a list of articles now ordinarily passed free as "Machinery," and that no article should be added to that list, and passed as machinery, without previous reference to the Government of India. I am also to say, on behalf of the Chamber, that they will be glad to see the draft list of duty free articles of machinery before its publication.

I have, &c.,

P. MACFADYEN,
Chairman.

W.

THE BELLARY COTTON TRADE ASSOCIATION.

Bellary Cotton Trade Association, 6th August 1880.

To the Secretary Chamber of Commerce,
Madras.

Sir,—There being a large number of the members of your Chamber interested in the Western cotton trade, I beg to bring to your notice the efforts put forth by the Bellary Cotton Trade Association and its Adoni Branch to improve the quality of that staple, by preventing its adulteration with kuppas seed, sand, &c.

The accompanying notice by the Collector has been inserted in the Bellary District Gazette, and copies of the notice, widely circulated, in the District by the Association.

Several prosecutions have been already undertaken by the Association, and convictions in each case obtained.

The Association employs an Inspector, who examines in detail every parcel of cotton purchased by its members, and fixes the allowance to be deducted.

The seller has the right of appeal, in which case the bora, or docrah, is cut open, picked over, the actual amount of foreign matter ascertained, and the allowance made accordingly.

This system has been in force some time and has been found to work well: a marked improvement being apparent in the cotton now brought to market.

I subjoin a list of the Association's members which includes, you will notice, all press-owners and all the regular buyers with one exception.

Messrs. Dymes & Co.
„ Harvey & Sabapathy.
„ Arbuthnot & Co.
The Brunton's Press Co., 2nd.
Messrs. A & F. Harvey.
Mr. V. Rajaruthnum Chetty.
„ A. P. Sathasivan Pillay.
„ B. Shumogappa.
„ M. Sora Soobiah Chetty.

I am, &c.,
F. Harvey,
Honorary Secretary.

NOTICE BY THE COLLECTOR.

The attention of the Collector has been drawn by the Bellary Cotton Trade Association to the prevalence of the practice of mixing stones, sand, cotton seed, kuppas, &c, with cotton offered for sale.

Tahsildars and Deputy Tahsildars and Reddies should let it be known that such a practice cannot be carried on with impunity, and that when sellers intentionally insert such substances in cotton which they sell or are cognizant of the existence of such substances in the cotton when they sell as clean cotton they render themselves liable to a prosecution for cheating (Section 417 C. P. C.) The Cotton Trade Association has been constituted partly with the view of bringing offenders of this kind to justice.

H. P. GORDON,
Collector.

Bellary, 5th June 1880.

Chamber of Commerce Madras, 4th September 1880.

TO THE HONORARY SECRETARY
BELLARY COTTON TRADES' ASSOCIATION,
Bellary.

SIR,—I am directed by the Chamber to acknowledge the receipt of your letter of the 6th ultimo informing the Chamber of the efforts that are being made by your Association to improve the quality of Western Cotton. I am desired to say that the Chamber sympathise with the object your Association have in view, and entertain a hope that the devotion of the Association's efforts to the improvement of the staple will meet with success.

I have, &c.,
P. MACFADYEN,
Chairman.

X.

A COTTON FRAUDS ACT.

Proceedings of the Madras Government, Revenue Department, 11*th January* 1881.

From H. P. GORDON, Esq., Colletor of Bellary, to the Chief Secretary to Government, dated 17th August 1880, No. 3,237.

I have the honor, at the request of the Bellary Cotton Trade Association, to forward a petition addressed to His Grace the Governor in Council, praying for the introduction into the Madras Presidency of a Cotton Frauds Act, and indicating what form, in the opinion of the petitioners, such an Act should take.

2. Considering the importance of the cotton trade to this district, the proposed protection of the buyer would seem to be advisable.

3. The Association informs me that a Bill of a similar nature is proposed for the Bombay Presidency, but takes cognizance principally of cotton presses and pressed bales. The Association is, however, of opinion that the evil will be better met by an inspection of loose cotton.

From F. HARVEY, Esq., Honorary Secretary, Bellary Cotton Trade Association, to H. P. GORDON, Esq., Collector of Bellary, dated Bellary, 13th August 1880.

I have the honor to forward to you herewith a petition to His Grace the Governor of Madras from the Bellary Cotton Trade Association, praying that a Cotton Frauds Act may be introduced into the Madras Presidency, and I beg to request you will be good enough to forward the same with such commendatory remarks as you may think fit if you consider that such an Act is necessary.

2. A Bill of a similar nature is proposed for the Bombay Presidency, but it takes cognizance principally of cotton presses and pressed bales, but we believe the evil should be tackled nearer the root; hence our proposal to inspect loose cotton.

The Petition of the Bellary Cotton Trade Association to His Grace the DUKE OF BUCKINGHAM AND CHANDOS, Governor of Madras, in Council.

RESPECTFULLY SHOWETH,—That in many of the cotton-producing districts throughout the Madras Presidency fraudulent practices prevail of mixing with cleaned cotton offered for sale kuppas, cotton-seeds, sand, and other foreign matter.

2. That the Bellary Cotton Trade Association exists chiefly for the purpose of preventing such practices in Bellary and Adoni, but finds it impossible to suppress them.

3. That it therefore prays that a Bill be introduced into the Legislative Council of Madras for the prevention of these fraudulent practices in the cotton trade, and suggests that the following be its tenor:—

A Bill to prevent the Adulteration of Cotton and for the Suppression of Fraudulent Practices in the Cotton Trade.

Whereas it is expedient to introduce a law for the prevention of adulteration of cotton and for the suppression of fraudulent practices in the cotton trade, it is enacted as follows:—

(1.) This Act may be cited as "The Madras Cotton Frauds Act, 1880." Its provisions shall apply to the whole of the Madras Presidency.

(2.) In this Act unless there be something repugnant in the subject or context—

a. "Borah" means any package of loose (unpressed) cotton.

b. "Imprisonment" means imprisonment of either description within the meaning of the Indian Penal Code.

(3.) Any person who fraudulently or dishonestly—

a. Adulterates or deteriorates cotton by mixing therewith, seed dirt, stones, or other foreign matter;

b. Mixes cleaned and uncleaned cotton (commonly called "kuppas") in one borah;

c. Increases or attempts to increase the weight of cotton by exposing it to dew or by any other means;

d. Sells or offers for sale any cotton which he knows, or has reason to believe, to have been so adulterated, mixed, or increased in weight;

Shall be punished with imprisonment for a term which may extend to one year, or with fine or with both, and all cotton in respect of which any such offence has been committed may, if the Court before which such offence is proved so direct, be confiscated and destroyed.

(4.) It shall not be necessary in any proceeding for any offence under this Act to prove an intent to defraud any particular person.

(5.) The provisions of Sections 64 to 70 both inclusive of the Indian Penal Code shall apply to all fines imposed under this Act.

(6.) Nothing in this Act shall affect the Civil rights of any person in any manner interested in any cotton confiscated under this Act. Every such person shall have the same right of action for the establishment of any such right as if this Act had not been passed.

(7.) That in all cotton marts within the limits of any Municipality, such Municipality shall appoint an Inspector to prosecute under this Act.

(8.) That in marts where a Municipality does not exist, the Tahsildar or other local authority empowered by Government shall appoint the Inspector.

(9.) That such Municipality or other local authority is empowered to levy a fee of six pies per borah on all cotton purchased within the limits of the Municipality, or cotton market as the case may be; such fee to be collected by the Municipality or other local authority from the buyer, who shall have the right to recoup himself from the seller.

(10.) The fund thus accruing to be applied to the payment of the Inspector, or such other purposes connected with the cotton market as the Municipality or other local authority may decide.

And your petitioners, as in duty bound, will ever pray.

G. T. HARCOURT,
Chairman.

F. HARVEY,
Hony. Secy.

BELLARY, 13*th August* 1880.

Transferred to the Revenue Department with notes of Honorable Members of Government.

R. DAVIDSON,
Chief Secretary.

14th September 1880.

ORDER THEREON, 17th September 1880, Mis. No. 3,217.

The Collector of Bellary will obtain from the Cotton Trade Association at that station a statement of the facts upon which they have founded their request for a Cotton Frauds Act.

C. G. MASTER,
Secy. to Govt.

Read also the following papers :—

From the Collector of Bellary, to the Secretary to Government, Revenue Department, Madras, dated Bellary, 21st October 1880, No. 4,383.

With reference to G. O., No. 3,217, dated the 17th September 1880, directing me to obtain from the Cotton Trade Association of Bellary a statement of the facts upon which they have founded their request for a Cotton Frauds Act, I have the honor to forward herewith a letter from the Secretary to the Association, dated the 9th instant, together with its enclosures, giving the information called for by Government.

From F. HARVEY, Esq., Honorary Secretary, to H. P. GORDON, Esq, Collector of Bellary, dated Bellary, 9th October 1880.

I have the honor to acknowledge the receipt of your No. 3,903, of 21st September, requesting a statement of facts on which the Association asks for the introduction of a Cotton Frauds Act.

This I partly anticipated in my letter to you of 21st August, which embodies the gist of our case.

Merchants here have found of late that the practice of inserting seed kuppas, sand, &c., in borahs of clean cotton offered for sale, has greatly increased, two and-a-half per cent. to as much as ten per cent. of foreign matter being found in the cotton. This of course lowers the status of the produce in the home markets, and the honest cultivator consequently suffers on account of the one who adulterates, because the lots purchased here by merchants are made up of a large number of small parcels from different cultivators, the merchants paying an average price for the whole, it being impossible to value each little lot separately.

The Association has done what is in its power to suppress these practices, but has only partially succeeded, because, first, sellers are not bound by its rules; second, even though the weight of the foreign matter is deducted, the seller *loses* nothing, and continues to run the risk of the fraud not being detected; and, third, he holds the cotton as long as circumstances permit, and sometimes succeeds in passing it off to some new or inexperienced buyer.

A few convictions for cheating in some extreme cases have been obtained in the Courts, but prosecutions are most difficult, and the prosecution of many fraudulent parties has had to be abandoned because under existing law it is necessary to prove intent to deceive a particular person. Hence our petition, we consider that the existence of the fraud should be sufficient to justify punishment.

The majority of the ryots are very blind to their own interest as the extra expense to the Press-owner in partially cleaning the cotton before pressing, and the lower price paid by the spinner both on account of loss in weight and the trouble in spinning such cotton, must and does ultimately fall on the cultivator.

It has been found by experience that it is impossible to restore the cotton to its original cleanliness.

The introduction of the Act would not entail any extra expense or trouble to the ryot because as matters stand now all cotton is quite free from seed when it comes from the native hand-gin, the foreign matter being afterwards intentionally inserted.

I enclose a number of extracts from reports on Western Cotton from spinners and merchants in different parts of India and in London.

Summary.

1. The existence of two and-a-half to ten per cent. of foreign matter in cotton.
2. Injury to the honest ryot through the malpractice of the dishonest one.
3. Inability of private parties to suppress these practices under the existing law.
4. Loss falling on the ryot.
5. Deterioration to the produce as testified by the accompanying spinners' reports.
6. Direct saving of trouble to the ryot in not having to adulterate.

OFFICIAL MEMORANDUM.

In forwarding the papers,* the undersigned is directed to request that the Chamber of Commerce will favor Government with an expression of their opinion on the proposal for the enactment of a Cotton Frauds Act.

* Letter from the Collector of Bellary, dated 17th August 1880, No. 3,237, with 2 enclosures attached.
Letter from the Collector of Bellary, dated 21st October 1880, No. 4,383, with 6 enclosures.

2. Their attention is called to former correspondence showing the existence of a legitimate trade in mixed Cotton, vide General Orders, dated 11th October 1860, No. 1,837, and 10th February 1863, No. 291.

C. G. MASTER,
Secretary to Govt.

Fort St. George, 17th November 1880.

Chamber of Commerce, Madras, 8th December 1880.

TO THE SECRETARY TO GOVERNMENT,
Revenue Department.

SIR,—I have the honor to acknowledge receipt of your memorandum under date the 17th ultimo, requesting the opinion of the Chamber on a proposal for the enactment in this Presidency of a Cotton Frauds Act.

2. This subject has frequently engaged the attention of this Chamber during the last sixteen years, and I am desired to say that the Chamber adhere to the opinion they expressed in a letter to the Chief Secretary to Government, dated 24th July 1868, that the introduction of the enactment into this Presidency is neither requisite nor desirable. An extract from the letter of the Chamber, to which I have referred, is enclosed for the information of Government, I have, &c,

P. MACFADYEN,
Chairman.

ORDER THEREON, 11th January 1881, No. 94.

It appears from former correspondence that a legitimate trade in mixed cotton exists in this Presidency, while fraudulent adulteration is punishable under the ordinary criminal law. Much difference of opinion appears to exist as to the beneficial effect of the special law in Bombay, and the Right Honorable the Governor in Council is not in the circumstances prepared to legislate on the subject in opposition to the opinion of the Chamber of Commerce.

C. G. MASTER,
Secy. to Govt.

Y.

TARIFF ON INLAND TELEGRAPH MESSAGES.

Resolution of the Government of India, Public Works Department, Simla, 5th October 1880.

Read—

Letter from the Government of Bombay, P. W. Department, No. 10T-653., dated 3rd July 1880, to the Government of India.

Letter from the Bombay Chamber of Commerce, No. 178, dated 6th July 1880, to the Director General of Telegraphs in India.

Letter from the Director General of Telegraphs in India, No. 453T., dated 27th July 1880, to the Government of India.

Letter from the Bengal Chamber of Commerce, dated 21st August 1880, to the Secretary to the Government of India, P. W. D.

Observations.—The Government of Bombay remarks in its letter now read:—

"While on the subject of Telegraphs, I am instructed by "His Excellency the Governor in Council to point out that the "charges are extremely high in India. The charge for 20 words "exclusive of addresses, in Australia is only one shilling. The "telegraphs belong to the Government of each Colony, and the "receipts for through messages are divided according to mile-"age by a 'clearing house' arrangement. The distance covered "is up to 3,000 miles. In one year, during which His Excel-"lency the Right Honourable Sir J. Fergusson was in South "Australia, the number of telegraphic messages in the Colony "is believed to have been 50 per cent. of that of postal letters, "the charges being one shilling and two pence respectively. It "is, therefore, apparent that the cheapness of rate caused the "telegraph to be used to an extent unknown in India, or even "in the United Kingdom, in proportion to the population, the "saving of time in so large a country being considerable.

"I am to state that, if the Government of India would "allow the Government of Bombay to try the experiment of "charging half a rupee for twelve or twenty words for *local* "messages, guaranteeing the present amount derived there-"from, His Excellency the Governor in Council believes the "results will be remarkable."

2. The Bombay Chamber of Commerce represent that in comparison with the tariffs in force in the United Kingdom and in Germany, the tariff in India appears to them to be exorbitant, and suggests, for the consideration of Government, the expediency of reduction to a minimum charge of eight annas for four words, with one anna more for every additional word, no charge being made, as at present, for the transmission of the address.

3. The Bengal Chamber of Commerce urge that the experience of other countries has shewn that a lowering of rates and a sliding scale of charges according to the length of the message has in no way tended to diminish the profit of their Telegraph Departments; and on this ground they suggest a minimum rate of twelve annas for four words (exclusive of address, which would be free) and one anna for each additional word.

4. These proposals are based on two hypotheses, (I) that the rates for telegraphic messages in India are unduly high, and (II) that a reduction in rates would be followed by an increase in the traffic which would more than compensate for the immediate loss in revenue.

5. The Government of Bombay and the Bombay Chamber of Commerce contend that the Telegraph Tariff of India is unreasonably high, compared with the tariffs in force in other countries; on this point there appears to be some misapprehension of the facts.

6. In Australia the charge, so far as can be ascertained, is one shilling for a minimum of ten words *within the limits of each Colony.* The inter-colonial rates vary from two to three shillings or more for a message of ten words, so that the Indian uniform tariff of one rupee with free delivery for five miles for distances which extend to 3,000 miles compares rather favorably than otherwise.

7. In Germany there is a fixed charge of 20 pfennige per message irrespective of length in addition to a word rate of 5 pfennige, and the address is charged for.

8. In Great Britain the minimum charge is one shilling, the number of words allowed twenty, the address is free, and

a charge is made for delivery of six pence a mile beyond the first mile, and of a shilling a mile if the total distance exceeds three miles. The cost of a single rate message delivered at the average distances from the Telegraph Office at which Indian messages are delivered is one shilling and six pence.

9. In the United States of America the unit message is ten words, the address is free, and there is a charge for delivery beyond half a mile. The tariff is proportional to distance and varies from 25 cents to 1 dollar and a half for distances within 1,000 miles. For distances over 1,000 miles between State and State, the rate is from 2 to 3 dollars.

10. The Government of India notices the admission made by the Bengal Chamber of Commerce that a fair comparison between results in England or in various countries of Europe and India is not possible, because the distances to be traversed here are, as a rule, so much greater; but differences in extent alone form only one, and that not the most serious, of the difficulties in the way of making a fair comparison of the tariffs of different countries; and, unless the climate, internal resources, average individual prosperity and social conditions of the countries whose tariffs it is sought to compare be also taken into account, such a comparison must be altogether misleading.

11. The area of India is roughly eight times that of United Germany, and thirteen times that of Great Britain. The greatest distance a message can be transmitted in England is about 500 miles; in India upwards of 3,000 miles. In Great Britain there is a temperate climate, a population dense, self-governing and very wealthy, inhabiting a small area; it is a centre of trade, of science and of manufacture, where every appliance of a telegraph is locally made and procurable at very short notice, technical knowledge is there cheap and always available, and consequently a telegraph can be established there at a minimum cost, and maintained with the least possible difficulty and expense.

12. In India there is, on the other hand, a tropical climate injurious to the materials of which a telegraph is composed, a country vast, and in parts still almost unopened; a population poor, and in the mass ignorant, to whom the telegraph is an

exotic; a country that requires to import the greater portion of the material and technical appliances for its telegraphs, and also its principal technical supervision, where it is necessary to keep large stocks of stores at great cost ready for emergencies, and where consequently a telegraph can only be established at very high cost, and maintained with difficulty and expense.

13. In the United States, notwithstanding the advantages in climate, appliances, and in the character, and means of the inhabitants as a whole, the tariff is considerably higher than in India, and it appears to the Government of India that the moderate simple tariff of one rupee for six words for all distances up to 3,000 miles, with free address and free delivery up to a distance of five miles, compares very favorably with the tariffs in force in other more fortunately situated countries.

14. It is urged, however, in support of the proposal for a reduction in telegraph rates that the adoption of a very low tariff is the only means of securing an adequate revenue; but this contention is not borne out by experience, and the Government of India, with the information before it, is forced to the conclusion that, while in no country, and under no circumstances, have reductions of the telegraph tariff resulted in a net gain, the instances are rare in which such reductions have not resulted in a loss of revenue.

15. At the commencement of the present year the Government of India, in order to obtain the benefit of an uniform tariff throughout the dominions administered by it, reduced the tariff between India and Burmah from Rs. 1-8 to Re. 1 for 6 words. The experience of three months' working of this tariff is reported to be that not only has the average cost per message been reduced in exactly the same proportion, shewing that there has been no increase in the length of messages, but the number of messages transmitted so far from shewing any equivalent increase has absolutely decreased. The decrease is doubtless due to stagnation of trade, but it serves to bear out the contention of the Telegraph Department in this and other countries, that the telegraph traffic follows, particularly in its augmentations, the fluctuations of trade, and that it is influenced by the tariff only in a very secondary degree.

16. In the face of these experiences it is obvious that the Government could not look forward with any confidence to obtaining under a reduced tariff any increase in the net revenue, or even to the maintenance of the present net revenue of the Telegraph Department.

17. A low *uniform* tariff is obviously inconsistent with a still lower local tariff, and the Government, as at present advised, is not disposed to abandon the important principle of uniformity. The most essential feature of a telegraph tariff is, that it shall be simple, intelligible to all, and easy in its application, so that the public shall themselves be able readily to calculate the payments due under all circumstances, and to verify the correctness of the charges made by the departmental employes. The present tariff appears to thoroughly fulfil these conditions.

18. The Government of India has quite recently had the question of a reduction of the Inland telegraph tariff under consideration, and is fully alive to the advantages to be anticipated from such a measure when it can be introduced without regarding the progress of the Telegraph Department towards commercial solvency. There are undoubtedly conditions under which it might be a just and wise policy to fix the charges for telegraphic inter-communication at so low a rate that the cost of the administration must exceed the revenue, but such conditions only exist in India at present to a limited extent, if at all, and the Government of India is not prepared to adopt any revision of the tariff, the effect of which would be to burden the general revenues in order that the senders of telegrams might be enabled to transmit them at a lower rate than the cost price.

19. The introduction and maintenance of the telegraph system in India has proved in the past extremely costly; and for very many years the general revenues of the country have suffered to provide for the maintenance of an institution from which, apart from its administrative and political value, only a very limited section of the community has reaped the benefit; and the time has now come when the Government may reasonably expect that the yearly expenditure of the department, including interest on the capital, shall be covered by the receipts from the public, *plus* the value of the messages despatched on the service of the Government itself.

20. With the existing tariff the Telegraph Department is now at length beginning to pay its working expenses, but the increased revenue of recent years is in great measure due to exceptional and temporary causes, and, although the stimulus given may not be altogether barren of permanent results, a continuance of the traffic at the present rate cannot be calculated upon, and it is improbable that the net revenue will for many years to come be sufficient to cover the working expenses in addition to interest on the capital invested. But in any future modification of the tariff that experience may shew to be desirable, this object must be kept steadily in view.

21. The Capital Account of the Telegraph Department includes numerous items, such as charges consequent on military expeditions, cost of temporary and abandoned lines, &c., &c., which are either properly chargeable to "revenue," and should have been charged off in the year in which they were incurred, or which have not added to the permanent value of the plant. The Government does not expect that the Telegraph Department should earn interest on a capital thus improperly inflated: and the Capital Account of the Telegraph Department should be carefully scrutinized with a view to the elimination of such items, and to the arrival at a fair valuation of the lines and appliances as they now stand, in communication with the Accountant General of the Public Works Department.

22. On the capital value thus arrived at, the Government expects that the telegraph revenue shall yield a fair interest after paying its working expenses. When the revenue shall be found to yield more than sufficient to cover these charges, the Governor General in Council considers that such surplus may properly be applied to reducing the tariff in the interest of the senders of messages, and will be prepared to consider favorably any proposals that may be put forward with that object.

Order.—Ordered that a copy of this resolution be communicated to the Director General of Telegraphs in India for information and guidance, in reply to his letter No. 453T,, dated 27th July, and to the Accountant General, Public Works Department, for information and guidance.

That a copy of this Resolution be sent to the Government of Bombay in the Public Works Department for information, in reply to its letter No. 10T-653., dated 3rd July 1880.

That copies be sent to the Chambers of Commerce in Bombay and Bengal, in reply to their letters dated 6th July and 21st August respectively, and to the Chambers of Commerce in Madras, Rangoon, and Karachi for information :

And, further, that this Resolution be published in the Supplement to the *Gazette of India.*

ALEX. FRASER, Major-General, R.E.,
Secy to the Govt. of India.

Chamber of Commerce, Madras, 29th November 1880.

TO THE SECRETARY TO THE GOVERNMENT OF INDIA ,,
Public Works Department, (Calcutta.)

SIR,—I have the honor to acknowledge receipt of the Resolution of the Government of India, under date the 5th ultimo, with reference to the tariff on Indian Telegraph messages, and I am desired to express this Chamber's regret that they were not afforded the opportunity, which was offered to the Chambers of Commerce of Calcutta and Bombay, for considering the subject before its virtual decision by the Government.

It is observed with surprise that the subject has been temporarily shelved, for it seems to the Chamber that it would have been well to have allowed the Bombay Government to ascertain, at their own cost, the effect of a reduced tariff within the Bombay Presidency, and if the result had proved to be an increase of revenue, it might then have been deemed desirable to extend the experiment to other Presidencies and Provinces. It appears to the Chamber somewhat inequitable to exact a high tariff from people who usually need to telegraph comparatively short distances, on the plea that they might for the same charge have sent their messages 3,000 miles. The occasions on which telegrams are sent from Madras to the Punjaub must be extremely few, as compared with those that present themselves to the local public for telegraphing from place to place, within the limits of this Presidency. In this country of great distances it may be expedient to adopt, with reference to the telegraph tariff, some-

what the same system as applies to the Railway rather than to the postal service, viz., that the charge shall vary according to distance. The Chamber are not ignorant of the convenience of a uniform tariff; but, as there is reason to believe that the present rates are, to a serious extent, prohibitive, it is a fair assumption that the country pays too much for that uniformity. The personal Australian experiences of the Right Hon'ble the Governor of Bombay may not perhaps be entirely applicable to India; but the principle for which His Excellency contends seems to this Chamber to be correct. The experience of other countries has tended to show that the financial prosperity of Telegraph Departments is usually in inverse proportion to the charges made; or, that a high scale of charges means a poor revenue, and a low scale large receipts. It is stated, in paragraph 16 of the Resolution under reference, that "it is obvious that the Government could not look forward with any confidence, to obtaining under a reduced tariff, any increase in the nett revenue, or even to the maintenance of the present nett revenue of the Telegraph Department." So far, however, from considering that the experiences referred to point to the inexpediency of giving a trial to the experiment which has been proposed by the Government of Bombay, this Chamber submit that the want of elasticity in the Telegraph revenue indicates the existence of some cause which places the convenience of telegraphic communications beyond the reach of the masses of this densely populated country. The experience which the Government of India have obtained from the reduction of postage to a point below that obtaining in England, where the greatest distance a letter can be carried is, according to para. 11 of the Resolution under notice, about one-sixth of the distance that a letter can be carried in this country, appears to the Chamber to be a cogent reason for reducing tentatively the cost of local, or Presidencial, telegrams.

I have, &c.,

P. MACFADYEN,

Chairman.

RULES AND REGULATIONS

OF THE

MADRAS CHAMBER OF COMMERCE.

1st. That the Madras Chamber of Commerce is formed with a view to watch over and protect the interests of Trade; to receive and collect information on all matters of mercantile interest, bearing upon the removal of grievances and the promotion of the common good; to communicate with authorities and with individual parties thereupon; to receive references on matters of custom or usage in doubt or dispute, deciding on the same, and recording the decision made for future reference: and to form by that and other means a code of practice, whereby the transactions of business by all engaged in it may be simplified and facilitated.

2nd. That all merchants, and other persons engaged in the general trade of Madras, be eligible as Members.

3rd. That persons desirous of joining the Chamber shall be proposed by one Member and seconded by another. Notice of the same shall be entered in the Ballot Book, and circulated among the Members, and the election shall be made by ballot at the first general meeting of the Chamber held after the expiry of one month from the date of the notice, a majority of two-thirds of those voting at the meeting being necessary for admission.

4th. That voting by proxy be not allowed, nor by parties whose subscriptions shall be in arrears.

5th. That the power of expulsion be reserved to the Chamber, to be decided by ballot by a majority at a general meeting.

6th. That the executive duties of the Chamber shall be conducted by the Chairman with the assistance of the Committee, and that all matters of importance be referred for the decision of the general body of subscribers, who shall be called together as often as is necessary by the Chairman, but not less frequently than once a month.

7th. That the Chairman shall on all occasions have a casting vote in addition to his own as a Member of the Chamber.

8th. That every Member on election shall pay an entrance fee of Rupees 100.

9th. That the subscription be fixed at Rupees 160 per annum, payable quarterly in advance. Absentees in Europe to pay no subscription.

10th. That if any Member allow his subscription to the Chamber to fall into arrears for more than one quarter without sufficient reason, his name shall be expunged from the list.

11th. That the funds be paid as realised into the Treasurers' Bank, and that when exceeding one thousand rupees they be invested in Government Paper.

12th. That the ordinary expenditure be at the discretion of the Chairman; and that extraordinary expenditure be made by him with the sanction of the Sub-Committee.

13th. That an annual general meeting be held on the second Monday of December, or as near thereto as convenient, at which the Treasurer's account shall be submitted, and the Chairman for the following year shall be elected; the retiring Chairman becoming Vice-Chairman. In case of the Chairman's re-election, a new Vice-Chairman shall be elected. The Vice-Chairman shall conduct the duties of Chairman during the absence of the latter.

14th. The special general meetings may be convened on the requisition of the Chairman, or of any three members of the Chamber, not being members of the same firm—notice of the subject of discussion to be given in the requisition calling the meeting.

15th. That at the annual general meeting of the Chamber, a Committee of not less than seven Members, including the Chairman and Vice-Chairman, shall be elected to assist the Chairman in the disposal of the business of the Chamber. Two members of the same firm may not be on the Committee.

16th. That a fee of 15 Rupees shall accompany all references to the Chamber.

17th. That in event of any Member of the Chamber taking the benefit of the Act for the Relief of Insolvent Debtors, he shall thereby cease to be a Member of the Chamber, but will be eligible for re-election without the repayment of the entrance donation.

MADRAS TONNAGE SCHEDULE.

SANCTIONED BY THE CHAMBER OF COMMERCE.

ARTICLES.	To the Ton.
Aloes, in bags ...	...20 cwt.
Do in boxes ...	...20 ,,
Alum	...20 ,,
Anniseed ...	... 8 ,,
Arrow-root, in cases	...50 feet.
Assafœtida, in bags	...20 cwt.
Do in boxes	...20 ,,
Apparel ...	...50 feet.
Bark, in bags ...	... 8 cwt.
Barilla ...	...20 ,,
Bees' Wax ...	...20 ,,
Betel-nut ...	...18 ,,
Books	...50 feet.
Borax or Tincal ...	...20 cwt.
Do in cases ...	...50 feet.
Brimstone ...	...20 cwt.
Bullion ...	At per cent.
Cake Lac, in bags	...16 cwt.
Camphor, in cases	...50 feet.
Cardamoms, in robbins	... 8 cwt.
Do in boxes	...50 feet.
Do in bags	...10 cwt.
Cassia, all sorts ...	...50 feet.
Castor Seed ...	...15 cwt.
Chillies, in bags ...	...12 ,,
Do in robbins	...14 ,,
China Root, in bags	...11 ,,
Do in boxes	...50 feet.
Chiretta ...	...50 ,,
Cigars ...	...50 ,,
Cloves, in bags ...	... 8 cwt.
Do in chests...	...50 feet.
Coals ...	...20 cwt.
Cochineal ...	...50 feet.
Coffee, in bags ...	...18 cwt.
Do in robbins & casks	...16 ,,
Do in cases ...	...17 ,,
Coir Yarn & Fibre, screwed bls.	50 feet.
Do bdls. & dhls.	...10 cwt.
Coriander Seed ...	...12 ,,
Cotton, in bales ...	...50 feet.
Do Piece Goods	...50 ,,
Cowries ...	...20 cwt.
Cutch, in bags ...	...17 ,,

ARTICLES.	To the Ton.
Dates, wet ...	...20 cwt.
Do dry ...	...16 ,,
Dholl ...	...20 ,,
Elephants' Teeth, in bulk	...16 ,,
Do in cases	...50 feet.
Fennigarick Seed	...16 cwt.
Furniture ...	...50 feet.
Garlic and Onions	...12 cwt.
Ginger, in bags or bales	...12 ,,
Do in cases ...	...50 feet.
Gingelly Seed ...	...17 cwt.
Gram ...	...20 ,,
Ground Nuts, in shell	...12 ,,
Do shelled	...16 ,,
Gums, cas., not enumerated.	50 feet.
Gunny Bags ...	...50 ,,
Do Cloth ...	...50 ,,
Gunjah ...	...50 ,,
Hemp, in bales ...	...50 ,,
Hides ...	...14 cwt.
Hoofs, Horn Shavings, and Tips ...	...20 ,,
Horns, Cow and Buffalo	...20 ,,
Do Deer ...	...16 ,,
Indigo ...	...50 feet.
Jute, in bales ...	...50 ,,
Lac Dye ...	...50 ,,
Lard ...	...50 ,,
Linseed ...	...18 cwt.
Mace, in cases ...	...50 feet.
Machinery ...	...20 cwt.
Metals ...	...20 ,,
Myrabolams ...	...17 ,,
Molasses ...	...20 ,,
Mother O'Pearl, in bags	...20 ,,
Do in chests	...20 ,,
Munjeet ...	...50 feet.
Mustard Seed ...	...18 cwt.
Niger Seed ...	...17 ,,
Nutmegs, in chests	...50 feet.
Nux Vomica, in bags or cas.	16 cwt.
Oats	...12 ,,
Oil, in cases ...	...20 ,,
Do in casks ...	210 imp. gals.

Articles.	To the Ton.
Olibanum ...	...18 cwt.
Paddy, in bags ...	...15 „
Peace	...20 „
Pepper, in bags ...	...16 „
Planks and Deals...	...50 feet.
Poppy Seeds ...	...15 cwt.
Putchuk ...	...10 „
Rape Seed ...	...18 „
Raw Silk, in bales	...10 „
Rattans ...	...20 „
Redwood (for Dunnage)	...20 „
Rhea, in bales ...	...50 feet.
Rice, in bags ...	...20 cwt.
Roping, in coils ...	...50 feet.
Do lines and twines, in bundles ...	...14 cwt.
Do coir, in coils	...10 „
Rum, in casks ...	210 imp. gals.
Safflower, in bales	...50 feet.
Sago, in cases ...	...50 „
Sal Ammoniac, in bags	...15 cwt
Do in cases	...50 feet.
Saltpetre ...	...20 cwt.
Salt ...	...20 „
Sapan Wood ...	...20 „
Shark's Fins ...	...16 „
Sealing Wax, in cases	...50 feet.
Seed Lac, in cases	...50 „
Seed Lac, in bags	...16 cwt.
Senna, in bales ...	...50 feet.
Sarsaparilla ...	...50 „
Shells, rough, in bags	...20 cwt.
Shell Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Silk Piece Goods...	...50 feet.
Skins ...	...50 „
Soap, country, in cases	...50 „
Do in bags	...15 cwt.
Do in bars	...20 „
Stick Lac, in cases	...50 feet.
Do in bags	...16 cwt.
Sugar, in bags ...	...20 „
Tallow, cases or casks	...20 „
Talc ...	...20 „
Tamarind, in cases or cks	...20 „
Tapioca ...	...50 feet.
Tea, in chests ...	...50 „
Timber ...	...50 „
Tobacco, in bales...	...50 „
Tortoiseshell, in chests	...50 „
Turmeric, in bags	...14 cwt.
Wheat ...	...20 „
Wool, in bales ...	...50 feet.
All other articles not enumerated, in bales or cases	...50 „

Rule.—The articles mentioned in the margin are to be measured before shipment, at the Press, Godown, or on the Beach, at the option of the Shipper, and the measurement is to be entered on the face of the Bill of Lading. In measuring, the Callipers are to take in the Rope, or Iron Hoop, on the one side of the bale, and leave it out on the other. Half inches are to be given and taken alternately. Ten bales per cent., as a maximum are to be measured, moiety to be chosen by the Shipper and moity by the ship; and in the event of any dispute arising, the Bales are to be measured by a Surveyor to be appointed by the Chamber of Commerce. The Surveyor's decision to be final, and his Fee to be Five Rupees, one half to be borne by each party. All other goods to be measured at Port of Discharge.

Coir in bales, Cotton, Gunjah, Hemp, Jute, Munjeet, Senna Leaf, Wool, and Sarsaparilla.

Madras, 1*st January* 1875.

RATES OF AGENCY AND COMMISSION.

As revised by the Chamber of Commerce, and recommended for general approval and adoption.

	Per cent.
On the total amount of payments and receipts of an account, excepting sums on which a higher Commission has been previously charged, and sums paid for Bills of Exchange on England drawn by the Agent	...Half.
On purchasing or selling Bills of Exchange..	...One.
On subscriptions to Government loans, purchasing, selling, transferring or exchanging Public Securities and Bank Shares	...Quarter.
On obtaining enfacement of Government Promissory Notes	...One-Eighth.
On delivering up Public Securities, or lodging them in any of the Public Offices	...Quarter.
On negotiating or renewing a loan or cash credit at the Bank of Madras, or elsewhere ...	...Half.
On receiving and delivering Private commissions of Goods and Merchandise	...Two & a Half.
On charge of House Property and collection of Rents	...Five.
On letters of Credit granted...	...One.
On the management of Estates for Executors or Administrators, or on becoming Security for Administrators	...Two & a Half.
On debts, when process of Law or Arbitration is necessary	do
If recovered by such means...	...Five.
On Bills of Exchange, Notes, &c., dishonored	.. One.
On overdue debts collected	...Two & a Half.

	Per cent.
On all sales or purchases of Goods	...Five.
With the following exceptions :—	
On Houses, Lands, and Ships	...Two & a Half.
On Diamonds, Pearls, and Jewellery ...	... do
On Treasure and Bullion.	...One.
On all Goods and Merchandise withdrawn, shipped or delivered to order.	Half Commission.
On all other descriptions of property for sale, if withdrawn or otherwise disposed of by the owners.	
On Goods transferred to Auction or Commission Salesmen.	
On investing Proceeds of Sales in Goods ...	...Two & a Half.
On guaranteeing Sales, Bills, Bonds, Contracts for Goods, or other Engagements	do
On Ship's disbursements	do
On Ship's disbursements, when no outward Commission on Freight or passage Money is earned.	Five.
On Chartering Ships or engaging Tonnage for other Parties	...Two & a Half.
On the amount of Freight or passage Money earned by ships, by charter or otherwise, whether the same shall pass through the Agent's hands or not	...Five.
When the commission of 2½ per cent. on the Inward Freight, paid at home or in Madras, does not in the case of steamers via the Suez Canal exceed Rs. 100, then that sum shall be charged.	
On effecting Insurance, whether on Lives or Property...	...Half.
On settling Insurance claims, losses and averages of all classes, whether in lives or property and on recoveries of returns of Premium ...	...Two & a Half.
On negotiating Bottomry or Respondentia Bond ...	do

Per cent.

On attending the delivery of Contract Goods ...Two.

On receiving Passage Money by Ships entered inwards ... ...One.

On realizing Freights ... ...Two & a Half.

On arranging and superintending the transhipment of Cargo, on the amount of Freight so re-engaged ... ...Five.

On the management of Vessels chartered elsewhere for the conveyance of Coolies or Troops, on amount of Passage Money ... ...Two & a Half.

For acting in the capacity of Trustee, on the income of the Trust Fund ... ... do.

On landing and re-shipping goods from any Vessel in distress, or on landing and selling by auction damaged Goods from any such Vessel, and acting as Agent for the Master on behalf of all concerned, on the declared value of all such Goods as may be re-shipped, and on the net proceeds of all such Goods as may be publicly sold ... ...Two & a Half.

That brokerage at the rate of ½ (half) per cent. be an accepted charge on all freight ... ...

[*Additions on the* 1*st January* 1877.]

When the freight is payable in sterling, the commission shall be calculated on the sterling amount at the following rates for Bank Bills, viz., at the rate for 6 months' sight Bank Bills, when the freight is by sailing ships, and at the rate for 3 months' sight Bank Bills when by steamer.

On ships leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 6 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward, upon the English net registered tonnage, 8 annas per ton.

On ships leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, 12 annas per ton.

On steamers leaving the Port in ballast, which have been consigned inward and outward, upon the English net registered tonnage, Rupee 1 per ton.

When the amount on which commission is payable is stated in Rupees, the commission shall be calculated in that currency, and when in sterling, at the rate provided for under the Rule which fixes the rate "on procuring freight."

With respect to a steamer or sailing vessel partially discharged, which does not return to this port for cargo on her homeward voyage, the rate shall be 8 annas a ton on every ton discharged, provided the total amount exceeds Rs. 100, failing which Rs. 100 shall be charged.

The conversion into Indian currency of sterling freight payable in Madras shall, unless otherwise stipulated, be made at the rate for Bank Bills on London payable on demand; and the rate ruling at the close of a Mail, shall be the rate applicable to such purpose during the subsequent week.

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REPORT

OF THE

PROCEEDINGS OF THE

MADRAS CHAMBER OF COMMERCE.

JANUARY TO DECEMBER

1880.

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